

MACQUARIE UTILITIES INC. & SUBS
INSTRUCTIONS FOR FILING
FORM 8453-C
U.S. CORPORATION INCOME TAX DECLARATION FOR AN IRS E-FILE RETURN
FOR THE YEAR ENDED DECEMBER 31, 2013

THE ORIGINAL FORM SHOULD BE SIGNED (USING FULL NAME AND TITLE) AND DATED BY
AN AUTHORIZED OFFICER OF THE CORPORATION.

THE SIGNED FORM SHOULD BE RETURNED ON OR BEFORE SEPTEMBER 15, 2014.

PRICEWATERHOUSECOOPERS LLP
300 MADISON AVENUE
NEW YORK NY 10017

ALTHOUGH THERE IS NO TAX FOR THE CURRENT YEAR, ESTIMATED TAX PAYMENTS MAY BE
REQUIRED IN ORDER TO AVOID AN UNDERPAYMENT PENALTY NEXT YEAR.

DO NOT SEPARATELY FILE FORM 1120 WITH THE INTERNAL REVENUE SERVICE. DOING
SO WILL DELAY THE PROCESSING OF YOUR RETURN.

WE MUST RECEIVE YOUR SIGNED FORM BEFORE WE CAN ELECTRONICALLY TRANSMIT YOUR
RETURN. THE INTERNAL REVENUE SERVICE WILL NOTIFY US WHEN YOUR RETURN IS
ACCEPTED. YOUR RETURN IS NOT CONSIDERED FILED UNTIL THE INTERNAL REVENUE
SERVICE CONFIRMS THEIR ACCEPTANCE.

Form **8453-C**

U.S. Corporation Income Tax Declaration for an IRS e-file Return

Department of the Treasury
Internal Revenue Service

► **File electronically with the corporation's tax return. Do not file paper copies.**
► **Information about Form 8453-C and its instructions is at www.irs.gov/form8453c.**
For calendar year 2013, or tax year beginning , ending

2013

Name of corporation

MACOUARIE UTILITIES INC. & SUBS

Employer identification number

20-4988304

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	
2	Taxable income (Form 1120, line 30)	2	
3	Total tax (Form 1120, line 31)	3	
4	Amount owed (Form 1120, line 34)	4	
5	Overpayment (Form 1120, line 35)	5	

Part II Declaration of Officer (see instructions) Be sure to keep a copy of the corporation's tax return.

- 6a ☐ I consent that the corporation's refund be directly deposited as designated on the **Form 8050**, Direct Deposit of Corporate Tax Refund, that will be electronically transmitted with the corporation's 2013 federal income tax return.
- b ☒ I do not want direct deposit of the corporation's refund or the corporation is not receiving a refund.
- c ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If the corporation is filing a balance due return, I understand that if the IRS does not receive full and timely payment of its tax liability, the corporation will remain liable for the tax liability and all applicable interest and penalties.

Under penalties of perjury, I declare that I am an officer of the above corporation and that the information I have given my electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2013 federal income tax return. To the best of my knowledge and belief, the corporation's return is true, correct, and complete. I consent to my ERO, transmitter, and/or ISP sending the corporation's return, this declaration, and accompanying schedules and statements to the IRS. I also consent to the IRS sending my ERO, transmitter, and/or ISP an acknowledgment of receipt of transmission and an indication of whether or not the corporation's return is accepted, and, if rejected, the reason(s) for the rejection. If the processing of the corporation's return or refund is delayed, I authorize the IRS to disclose to my ERO, transmitter, and/or ISP the reason(s) for the delay, or when the refund was sent.

Sign Here  _____ **Date** _____ **CFO AND EXECUTIVE VP**  _____ **Title** _____

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above corporation's return and that the entries on Form 8453-C are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The corporate officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature 	Date	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	PRICewaterhouseCOOPERS LLP 300 MADISON AVENUE NEW YORK, NY 10017			P01083455
		EIN 13-4008324			Phone no. 646-471-3000

Under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8453-C** (2013)

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2013 or tax year beginning _____, ending _____

► Information about Form 1120 and its separate instructions is at www.irs.gov/form1120.

2013

A Check if:

- 1a Consolidated return (attach Form 851) ☒ **X**
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☒ **X**

TYPE OR PRINT	Name
	MACQUARIE UTILITIES INC. & SUBS
	Number, street, and room or suite no. If a P.O. box, see instructions.
	835 MAIN STREET
City or town, state, or province, country and ZIP code or foreign postal code	
BRIDGEPORT, CT 06604	

B Employer identification number	20-4988304
C Date incorporated	02/22/2006
D Total assets (see instructions)	\$ [REDACTED]

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

Income	1a Gross receipts or sales	1a	[REDACTED]	
	b Returns and allowances	1b	[REDACTED]	
	c Balance. Subtract line 1b from line 1a	1c	[REDACTED]	
	2 Cost of goods sold (attach Form 1125-A)	2	[REDACTED]	
	3 Gross profit. Subtract line 2 from line 1c	3	[REDACTED]	
	4 Dividends (Schedule C, line 19)	4	[REDACTED]	
	5 Interest	5	[REDACTED]	
	6 Gross rents	6	[REDACTED]	
	7 Gross royalties	7	[REDACTED]	
	8 Capital gain net income (attach Schedule D (Form 1120))	8	[REDACTED]	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	[REDACTED]	
10 Other income (see instructions - attach statement)	10	SEE STATEMENT 4.		
11 Total income. Add lines 3 through 10	11	[REDACTED]		
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E)	12	[REDACTED]	
	13 Salaries and wages (less employment credits)	13	[REDACTED]	
	14 Repairs and maintenance	14	[REDACTED]	
	15 Bad debts	15	[REDACTED]	
	16 Rents	16	[REDACTED]	
	17 Taxes and licenses	17	SEE STATEMENT 5.	
	18 Interest	18	[REDACTED]	
	19 Charitable contributions	19	SEE STATEMENT 8.	
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	[REDACTED]	
	21 Depletion	21	[REDACTED]	
	22 Advertising	22	[REDACTED]	
	23 Pension, profit-sharing, etc., plans	23	[REDACTED]	
	24 Employee benefit programs	24	[REDACTED]	
	25 Domestic production activities deduction (attach Form 8903)	25	[REDACTED]	
	26 Other deductions (attach statement)	26	SEE STATEMENT 10.	
	27 Total deductions. Add lines 12 through 26	27	[REDACTED]	
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	[REDACTED]	
29	a Net operating loss deduction (see instructions)	29a	[REDACTED]	
	b Special deductions (Schedule C, line 20)	29b	[REDACTED]	
	c Add lines 29a and 29b	29c	[REDACTED]	
Tax, Refundable Credits, and Payments	30 Taxable income. Subtract line 29c from line 28 (see instructions)	30	[REDACTED]	
	31 Total tax (Schedule J, Part I, line 11)	31	[REDACTED]	
	32 Total payments and refundable credits (Schedule J, Part II, line 21)	32	[REDACTED]	
	33 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	33	[REDACTED]	
	34 Amount owed. If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	[REDACTED]	
	35 Overpayment. If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35	[REDACTED]	
	36 Enter amount from line 35 you want: Credited to 2014 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>	36	[REDACTED]	

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Signature of officer DONALD J MORRISSEY	Date ____	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	Firm's name ► PRICEWATERHOUSECOOPERS LLP		
	Firm's address ► 300 MADISON AVENUE NEW YORK, NY 10017		
	Check <input type="checkbox"/> if self-employed PTIN P01083455	Firm's EIN ► 13-4008324	Phone no. 646-471-3000

For Paperwork Reduction Act Notice, see separate instructions.

Form **1120** (2013)

Form **7004**
(Rev. December 2012)

Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.

► Information about Form 7004 and its separate instructions is at www.irs.gov/form7004.

**Print
or
Type**

Name

Identifying number

Macquarie Utilities Inc. and Subsidiaries

20-4988304

Number, street, and room or suite no. (If P.O. box, see instructions.)

600 Lindley Street

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).

Bridgeport, CT 06606

Note. File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.

Part I Automatic 5-Month Extension

1a Enter the form code for the return that this application is for (see below)

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate other than a bankruptcy estate)	04
Form 8804	31	Form 1041 (trust)	05

Part II Automatic 6-Month Extension

b Enter the form code for the return that this application is for (see below)

12

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-C	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here ☐
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here ☒
- If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

Part III All Filers Must Complete This Part

- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here . . . ☐

5a The application is for calendar year 20 13 , or tax year beginning _____, 20 _____, and ending _____, 20 _____

- b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (see instructions-attach explanation)

6 Tentative total tax	6	
7 Total payments and credits (see instructions)	7	
8 Balance due. Subtract line 7 from line 6 (see instructions)	8	

For Privacy Act and Paperwork Reduction Act Notice, see separate Instructions.

Form **7004** (Rev. 12-2012)

Line 3 (7004) - Members of the Group Filing for Extension

	Name	FEIN	Address	City	State/ Province	Zip Code	Foreign Country
1	Macquarie Utilities Inc.	20-4988304	600 Lindley Street	Bridgeport,	CT	06606	
2	Aquarion Holdings LLC	75-3216999	600 Lindley Street	Bridgeport,	CT	06606	
3	Aquarion Company	06-0852232	600 Lindley Street	Bridgeport,	CT	06606	
4	Aquarion Water Company	80-0077570	600 Lindley Street	Bridgeport,	CT	06606	
5	Aquarion Water Company of CT	06-0272360	600 Lindley Street	Bridgeport,	CT	06606	
6	Aquarion Water Company of MA, Inc.	04-2169260	600 Lindley Street	Bridgeport	CT	06606	
7	Aquarion Water Company of NH, Inc.	02-0144390	600 Lindley Street	Bridgeport	CT	06606	
8	Aquarion Water Capital of MA, Inc.	22-3388372	600 Lindley Street	Bridgeport,	CT	06606	
9	Homeowner Safety Valve Company	20-0170573	600 Lindley Street	Bridgeport,	CT		

Schedule C Dividends and Special Deductions (see instructions)

	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3 Dividends on debt-financed stock of domestic and foreign corporations		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities . .		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities . . .		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs . .		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs . . .		80	
8 Dividends from wholly owned foreign subsidiaries		100	
9 Total. Add lines 1 through 8. See instructions for limitation			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11 Dividends from affiliated group members		100	
12 Dividends from certain FSCs		100	
13 Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12 .			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471). . . .			
15 Foreign dividend gross-up			
16 IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17 Other dividends SEE STATEMENT 18 .			
18 Deduction for dividends paid on certain preferred stock of public utilities			
19 Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4 . . ►			
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b ►			

Schedule J Tax Computation and Payment (see instructions)

Part I-Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))		
2	Income tax. Check if a qualified personal service corporation (see instructions)		2
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)	5a	
b	Credit from Form 8834 (see instructions)	5b	
c	General business credit (attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912	5e	
6	Total credits. Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9a	Recapture of investment credit (attach Form 4255)	9a	
b	Recapture of low-income housing credit (attach Form 8611)	9b	
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c	
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
f	Other (see instructions - attach statement)	9f	
10	Total. Add lines 9a through 9f		10
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31		11

Part II-Payments and Refundable Credits

12	2012 overpayment credited to 2013		12
13	2013 estimated tax payments		13
14	2013 refund applied for on Form 4466		14
15	Combine lines 12, 13, and 14		15
16	Tax deposited with Form 7004		16
17	Withholding (see instructions)		17
18	Total payments. Add lines 15, 16, and 17		18
19	Refundable credits from:		
a	Form 2439	19a	
b	Form 4136	19b	
c	Form 8827, line 8c	19c	
d	Other (attach statement - see instructions)	19d	
20	Total credits. Add lines 19a through 19d		20
21	Total payments and credits. Add lines 18 and 20. Enter here and on page 1, line 32		21

Schedule K Other Information (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____	Yes	No
2	See the instructions and enter the:		
a	Business activity code no. <u>523900</u>		
b	Business activity <u>HOLDING COMPANY</u>		
c	Product or service <u>INVESTMENTS</u>		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation _____		
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G).		
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G).		

Form 1120 (2013)

Schedule K Other Information *continued (see instructions)***5** At the end of the tax year, did the corporation:

- a** Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on **Form 851**, Affiliations Schedule? For rules of constructive ownership, see instructions.
 If "Yes," complete (i) through (iv) below.

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

- b** Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions.
 If "Yes," complete (i) through (iv) below.

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

- 6** During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)
 If "Yes," file **Form 5452**, Corporate Report of Nondividend Distributions.

If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.

- 7** At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of the corporation's stock entitled to vote or (b) the total value of all classes of the corporation's stock?
 For rules of attribution, see section 318. If "Yes," enter:

(i) Percentage owned ▶ _____ and (ii) Owner's country ▶ _____

(c) The corporation may have to file **Form 5472**, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____

- 8** Check this box if the corporation issued publicly offered debt instruments with original issue discount ☐

If checked, the corporation may have to file **Form 8281**, Information Return for Publicly Offered Original Issue Discount Instruments.

- 9** Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____

- 10** Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ _____

- 11** If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ☐

If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.

- 12** Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.) ▶ \$ _____

- 13** Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?

If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____

- 14** Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement (see instructions)?

If "Yes," complete and attach Schedule UTP.

- 15a** Did the corporation make any payments in 2013 that would require it to file Form(s) 1099?

- b** If "Yes," did or will the corporation file required Forms 1099?

- 16** During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock?

- 17** During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?

- 18** Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?

Form **1120** (2013)

MACQUARIE UTILITIES INC. & SUBS

Form 1120 (2013)

REDACTED
 Aquarion Water Company of NH
 Technical Statement of Troy Dixon
 Page 3
 Attachment 1
 Page 9 of 148

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	STMT 25			
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)	STMT 27			
10a	Buildings and other depreciable assets				
b	Less accumulated depreciation				
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	(NONE)			
14	Other assets (attach statement)	STMT 28			
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year		NONE		
18	Other current liabilities (attach statement)	STMT 31			
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)	STMT 34			
22	Capital stock: a Preferred stock				
b	Common stock				
23	Additional paid-in capital				
24	Retained earnings - Appropriated (attach statement)				
25	Retained earnings - Unappropriated				
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more - see instructions

1	Net income (loss) per books		7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$	
2	Federal income tax per books				
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):		8	Deductions on this return not charged against book income this year (itemize): a Depreciation \$ b Charitable contributions \$	
5	Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ b Charitable contributions \$ c Travel and entertainment \$				
6	Add lines 1 through 5		9	Add lines 7 and 8	
			10	Income (page 1, line 28) - line 6 less line 9	

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year		5	Distributions: a Cash	
2	Net income (loss) per books		b	Stock	
3	Other increases (itemize):		c	Property	
	SEE STATEMENT 40		6	Other decreases (itemize) STMT 41	
4	Add lines 1, 2, and 3		7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	

**SCHEDULE G
(Form 1120)**

(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

**Information on Certain Persons Owning the
Corporation's Voting Stock**

▶ **Attach to Form 1120.**
▶ **See instructions on page 2.**

REDACTED
Aquarion Water Company of NH
Technical Statement of Troy Dixon
Attachment 1
OMB No. 1545-0123 of 148

Name	Employer identification number (EIN)
MACOUARIE UTILITIES INC. & SUBS	20-4988304

Part I **Certain Entities Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4a). Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Percentage Owned in Voting Stock
MACQUARIE UTILITIES HOLDING GP	20-5951306	PARTNERSHIP	US	55.00
BCIMC SIIF101 2006 INVESTMENT CORP	98-0495993	CORPORATION	US	38.25
BCIMCWCBF SIIF101 2006 INVESTMENT CORP	98-0495991	CORPORATION	US	6.75

Part II **Certain Individuals and Estates Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4b). Complete columns (i) through (iv) below for any individual or estate that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Percentage Owned in Voting Stock

Form **4626**

Alternative Minimum Tax - Corporations

Department of the Treasury
 Internal Revenue Service

► **Attach to the corporation's tax return.**

► **Information about Form 4626 and its separate instructions is at www.irs.gov/form4626.**

2013

Name MACQUARIE UTILITIES INC. & SUBS		Employer identification number 20-4988304
Note: See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).		
1	Taxable income or (loss) before net operating loss deduction	1
2	Adjustments and preferences:	
a	Depreciation of post-1986 property	2a
b	Amortization of certified pollution control facilities	2b
c	Amortization of mining exploration and development costs	2c
d	Amortization of circulation expenditures (personal holding companies only)	2d
e	Adjusted gain or loss	2e
f	Long-term contracts	2f
g	Merchant marine capital construction funds	2g
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2h
i	Tax shelter farm activities (personal service corporations only)	2i
j	Passive activities (closely held corporations and personal service corporations only)	2j
k	Loss limitations	2k
l	Depletion	2l
m	Tax-exempt interest income from specified private activity bonds	2m
n	Intangible drilling costs	2n
o	Other adjustments and preferences SEE. STATEMENT. 46.	2o
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	3
4	Adjusted current earnings (ACE) adjustment:	
a	ACE from line 10 of the ACE worksheet in the instructions	4a
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions)	4b
c	Multiply line 4b by 75% (.75). Enter the result as a positive amount	4c
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You <i>must</i> enter an amount on line 4d (even if line 4b is positive)	4d
e	ACE adjustment. • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount }	4e
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT.	5
6	Alternative tax net operating loss deduction (see instructions) SEE. STATEMENT. 47.	6
7	Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	7
8	Exemption phase-out (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	8a
b	Multiply line 8a by 25% (.25)	8b
c	Exemption. Subtract line 8b from \$40,000 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	8c
9	Subtract line 8c from line 7. If zero or less, enter -0-	9
10	Multiply line 9 by 20% (.20)	10
11	Alternative minimum tax foreign tax credit (AMTFTC) (see instructions)	11
12	Tentative minimum tax. Subtract line 11 from line 10	12
13	Regular tax liability before applying all credits except the foreign tax credit	13
14	Alternative minimum tax. Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	14

For Paperwork Reduction Act Notice, see separate instructions.

Form **4626** (2013)

Adjusted Current Earnings (ACE) Worksheet*Keep for Your Records*

▶ See ACE Worksheet Instructions.

1 Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	
2 ACE depreciation adjustment:			
a AMT depreciation	2a		
b ACE depreciation:			
(1) Post-1993 property	2b(1)		
(2) Post-1989, pre-1994 property	2b(2)		
(3) Pre-1990 MACRS property	2b(3)		
(4) Pre-1990 original ACRS property	2b(4)		
(5) Property described in sections 168(f)(1) through (4)	2b(5)		
(6) Other property	2b(6)		
(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		
c ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	
3 Inclusion in ACE of items included in earnings and profits (E&P):			
a Tax-exempt interest income	3a		
b Death benefits from life insurance contracts	3b		
c All other distributions from life insurance contracts (including surrenders)	3c		
d Inside buildup of undistributed income in life insurance contracts	3d		
e Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	
4 Disallowance of items not deductible from E&P:			
a Certain dividends received	4a		
b Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b		
c Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	
5 Other adjustments based on rules for figuring E&P:			
a Intangible drilling costs	5a		
b Circulation expenditures	5b		
c Organizational expenditures	5c		
d LIFO inventory adjustments	5d		
e Installment sales	5e		
f Total other E&P adjustments. Combine lines 5a through 5e		5f	
6 Disallowance of loss on exchange of debt pools		6	
7 Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8 Depletion		8	
9 Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	
10 Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	

**SCHEDULE B
 (Form 1120)**
 (Rev. December 2009)
 Department of the Treasury
 Internal Revenue Service

Additional Information for Schedule M-3 Filers

► **Attach to Form 1120.**
 ► **See instructions on page 2.**

Name MACOUARIE UTILITIES INC.	Employer identification number (EIN) 20-4988304
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	Yes	No
1 Do the amounts reported on Schedule M-3 (Form 1120), Part II, lines 9 or 10, column (d), reflect allocations to the corporation from a partnership of income, gain, loss, deduction, or credit that are disproportionate to this corporation's capital contribution to the partnership or its ratio for sharing other items of the partnership?		
2 At any time during the tax year, did the corporation sell, exchange, or transfer any interest in an intangible asset to a related person as defined in section 267(b)?		
3 At any time during the tax year, did the corporation acquire any interest in an intangible asset from a related person as defined in section 267(b)?		
4a During the tax year, did the corporation enter into a cost-sharing arrangement with any related foreign party on whose behalf the corporation did not file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations?		
b At any time during the tax year, was the corporation a participant in a cost-sharing arrangement with any related foreign party on whose behalf the corporation did not file Form 5471?		
5 At any time during the tax year, did the corporation make any change in accounting principle for financial accounting purposes? See instructions for the definition of change in accounting principle		
6 At any time during the tax year, did the corporation make any change in a method of accounting for U.S. income tax purposes?		
7 At any time during the tax year, did the corporation own any voluntary employees' beneficiary association (VEBA) trusts that were used to hold funds designated for employee benefits?		
8 At any time during the tax year, did the corporation use an allocation method for indirect costs capitalized to self-constructed assets that varied from its financial method of accounting?		
9 At any time during the tax year, did the corporation treat for tax purposes indirect costs, as defined in Regulations sections 1.263A-1(e)(3)(ii)(F), (G), and (H), as mixed-service costs, as defined in Regulations section 1.263A-1(e)(4)(ii)(C)?		
10 Did the corporation, under section 118 or 362(c) and the related regulations, take a return filing position characterizing any amount as a contribution to the capital of the corporation during the tax year by any non-shareholders? Amounts so characterized may include, without limitation, incentives, inducements, money, and property.		

Affiliations Schedule
► File with each consolidated income tax return.
 For tax year ending **12/31/2013**

Name of common parent corporation **MACQUARIE UTILITIES INC.** Employer identification number **20-4988304**

Number, street, and room or suite no. If a P.O. box, see instructions.

835 MAIN STREET

City or town, state, and ZIP code

BRIDGEPORT, CT 06604

Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)

Corp. No.	Name and address of corporation	Employer identification number	Portion of overpayment credits and estimated tax payments	Portion of tax deposited with Form 7004
1	Common parent corporation			
2	Subsidiary corporations: AQUARION HOLDINGS LLC 835 MAIN STREET BRIDGEPORT, CT 06604	75-3216999		
3	AQUARION COMPANY 835 MAIN STREET BRIDGEPORT, CT 06604	06-0852232		
4	AQUARION WATER COMPANY 835 MAIN STREET BRIDGEPORT, CT 06604	80-0077570		
5	AQUARION WATER COMPANY OF CONNECTICUT 835 MAIN STREET BRIDGEPORT, CT 06604	06-0272360		
6	AQUARION WATER COMPANY OF MASSACHUSETTS, INC. 835 MAIN STREET BRIDGEPORT, CT 06604	04-2169260		
7	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC. 835 MAIN STREET BRIDGEPORT, CT 06604	02-0144390		

Totals (Must equal amounts shown on the consolidated tax return.) ►

Part II Principal Business Activity, Voting Stock Information, Etc. (see instructions)

Corp. No.	Principal business activity (PBA)	PBA Code No.	Did the subsidiary make any nondividend distributions?		Stock holdings at beginning of year			
			Yes	No	Number of shares	Percent of voting power	Percent of value	Owned by corporation no.
1	Common parent corporation HOLDING COMPANY	523900						
2	Subsidiary corporations: HOLDING COMPANY	551112		X	1	100.00 %	100.00 %	1
3	HOLDING COMPANY	551112		X	1	100.00 %	100.00 %	2
4	HOLDING COMPANY	551112		X	1,000	100.00 %	100.00 %	3
5	WATER UTILITY	221300		X	109,385	100.00 %	100.00 %	4
6	WATER UTILITY	221300		X	1	100.00 %	100.00 %	4
7	WATER UTILITY	221300		X	1	100.00 %	100.00 %	4

For tax year ending 12/31/2013

Aquarion Water Company of NH
Technical Statement of Troy Dixon

OMB No. 1545-0025 Attachment 1
Page 15 of 148

Employer identification number

20-4988304

835 MAIN STREET

City or town, state, and ZIP code

BRIDGEPORT, CT

06604

Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)

Corp. No.	Name and address of corporation	Employer identification number	Portion of overpayment credits and estimated tax payments	Portion of tax deposited with Form 7004
	Common parent corporation			
8	Subsidiary corporations: AQUARION WATER CAPITAL OF MASSACHUSETTS, INC 835 MAIN STREET BRIDGEPORT, CT 06604	22-3388372		
9	HOMEOWNER SAFETY VALVE COMPANY 835 MAIN STREET BRIDGEPORT, CT 06604	20-0170573		

Totals (Must equal amounts shown on the consolidated tax return.) ►

Part II		Principal Business Activity, Voting Stock Information, Etc. (see instructions)
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[illegible]

Part III Changes in Stock Holdings During the Tax Year

Corp. No.	Name of corporation	Share- holder of Corpora- tion No.	Date of transaction	(a) Changes		(b) Shares held after changes described in column (a)	
				Number of shares acquired	Number of shares disposed of	Percent of voting power	Percent of value
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%

(c) If any transaction listed above caused a transfer of a share of subsidiary stock (defined to include dispositions and deconsolidations), did the share's basis exceed its value at the time of the transfer? See instructions ☐ ☐ ☐ ☐

(d) Did any share of subsidiary stock become worthless within the meaning of section 165 (taking into account the provisions of Regulations section 1.1502-80(c)) during the taxable year? See instructions ☐ ☐ ☐ ☐

(e) If the equitable owners of any capital stock shown above were other than the holders of record, provide details of the changes.

(f) If additional stock was issued, or if any stock was retired during the year, list the dates and amounts of these transactions.

Part IV Additional Stock Information (see instructions)

1 During the tax year, did the corporation have more than one class of stock outstanding?
If "Yes," enter the name of the corporation and list and describe each class of stock.

Corp. No.	Name of corporation	Class of stock

2 During the tax year, was there any member of the consolidated group that reaffiliated within 60 months of disaffiliation?
If "Yes," enter the name of the corporation(s) and explain the circumstances.

Corp. No.	Name of corporation	Explanation

3 During the tax year, was there any arrangement in existence by which one or more persons that were not members of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation, other than a de minimis amount, from the corporation or another member of the affiliated group?
If "Yes," enter the name of the corporation and see the instructions for the percentages to enter in columns (a), (b), and (c).

Corp. No.	Name of corporation	(a) Percent of value	(b) Percent of outstanding voting stock	(c) Percent of voting power
		%	%	%
		%	%	%
		%	%	%
		%	%	%

Corp. No.	(d) Provide a description of any arrangement.

SCHEDULE M-3
(Form 1120)

Department of the Treasury
Internal Revenue Service

Net Income (Loss) Reconciliation for Corporations
With Total Assets of \$10 Million or More

► Attach to Form 1120 or 1120-C. ► Information about Schedule M-3 (Form 1120) and its
separate instructions is available at www.irs.gov/form1120.

REDACTED
Aquarion Water Company of NH
Technical Statement of Troy Dixon
OMB No. 1545-0123
Attachment 1
Page 18 of 148
2013

Name of corporation (common parent, if consolidated return)

MACOUARIE UTILITIES INC.

Employer identification number

20-4988304

Check applicable box(es): (1) ☐ Non-consolidated return (2) ☒ Consolidated return (Form 1120 only)
(3) ☐ Mixed 1120/L/PC group (4) ☐ Dormant subsidiaries schedule attached

Part I Financial Information and Net Income (Loss) Reconciliation (see instructions)

1 a Did the corporation file SEC Form 10-K for its income statement period ending with or within this tax year?

Skip lines 1b and 1c and complete lines 2a through 11 with respect to that SEC Form 10-K.
Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.

b Did the corporation prepare a certified audited non-tax-basis income statement for that period?

Skip line 1c and complete lines 2a through 11 with respect to that income statement.
Go to line 1c.

c Did the corporation prepare a non-tax-basis income statement for that period?

Complete lines 2a through 11 with respect to that income statement.
Skip lines 2a through 3c and enter the corporation's net income (loss) per its books and records on line 4a.

2 a Enter the income statement period: Beginning 01/01/2013 Ending 12/31/2013

b Has the corporation's income statement been restated for the income statement period on line 2a?

(If "Yes," attach an explanation and the amount of each item restated.)

c Has the corporation's income statement been restated for any of the five income statement periods preceding the period on line 2a?

(If "Yes," attach an explanation and the amount of each item restated.)

3 a Is any of the corporation's voting common stock publicly traded?

If "No," go to line 4a.

b Enter the symbol of the corporation's primary U.S. publicly traded voting common stock

c Enter the nine-digit CUSIP number of the corporation's primary publicly traded voting common stock

4 a Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1

b Indicate accounting standard used for line 4a (see instructions):

5 a Net income from nonincludible foreign entities (attach statement)

b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)

6 a Net income from nonincludible U.S. entities (attach statement)

b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)

7 a Net income (loss) of other includible foreign disregarded entities (attach statement)

b Net income (loss) of other includible U.S. disregarded entities (attach statement)

c Net income (loss) of other includible entities (attach statement)

8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach statement)

9 Adjustment to reconcile income statement period to tax year (attach statement)

10 a Intercompany dividend adjustments to reconcile to line 11 (attach statement)

b Other statutory accounting adjustments to reconcile to line 11 (attach statement)

c Other adjustments to reconcile to amount on line 11 (attach statement)

11 Net income (loss) per income statement of includible corporations. Combine lines 4 through 10

Note. Part I, line 11, must equal the amount on Part II, line 30, column (a), and Schedule M-2, line 2.

12 Enter the total amount (not just the corporation's share) of the assets and liabilities of all entities included or removed on the following lines.

	Total Assets	Total Liabilities
a Included on Part I, line 4		
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☒ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations				
9 Income (loss) from U.S. partnerships				
10 Income (loss) from foreign partnerships				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 9916-A)				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 9916-A)				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)		Employer identification number	
MACOUARIE UTILITIES INC.		20-4988304	
Check applicable box(es): (1) <input checked="" type="checkbox"/> Consolidated group (2) <input type="checkbox"/> Parent corp (3) <input type="checkbox"/> Consolidated eliminations (4) <input type="checkbox"/> Subsidiary corp (5) <input type="checkbox"/> Mixed 1120/L/PC group			
Check if a sub-consolidated: (6) <input type="checkbox"/> 1120 group (7) <input type="checkbox"/> 1120 eliminations			
Name of subsidiary (if consolidated return)		Employer identification number	

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☒ Parent corp (3) ☐ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

MACOUARIE UTILITIES INC.

20-4988304

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) ☒ Parent corp (3) Consolidated eliminations (4) Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION HOLDINGS LLC

75-3216999

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) Consolidated eliminations (4) X Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION HOLDINGS LLC

75-3216999

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION COMPANY

06-0852232

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 9916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 9916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) Consolidated eliminations (4) X Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
06-0852232

AQUARION COMPANY

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
80-0077570

AQUARION WATER COMPANY

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 9916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 9916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
80-0077570

AQUARION WATER COMPANY

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION WATER COMPANY OF CONNECTICUT

06-0272360

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations				
9 Income (loss) from U.S. partnerships				
10 Income (loss) from foreign partnerships				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A)				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A)				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return) **MACOUARIE UTILITIES INC.** Employer identification number **20-4988304**

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return) **AQUARION WATER COMPANY OF CONNECTICUT** Employer identification number **06-0272360**

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

04-2169260

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return) **MACOUARIE UTILITIES INC.** Employer identification number **20-4988304**

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return) **AQUARION WATER COMPANY OF MASSACHUSETTS, INC.** Employer identification number **04-2169260**

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

02-0144390

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) Consolidated eliminations (4) X Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
02-0144390

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

22-3388372

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) Consolidated eliminations (4) X Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number
22-3388372

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☒ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return) HOMEOWNER SAFETY VALVE COMPANY

Employer identification number

F/K/A AQUARION SAFETY VALVE COMPANY

20-0170573

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) Consolidated eliminations (4) X Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

HOMEOWNER SAFETY VALVE COMPANY
F/K/A AQUARION SAFETY VALVE COMPANY

Employer identification number
20-0170573

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304
Attachment 1
Page 39 of 148

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☒ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

MACOUARIE UTILITIES INC. & SUBS ELIMINATION

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
10 Income (loss) from foreign partnerships . .				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A) . . .				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) Consolidated group (2) Parent corp (3) X Consolidated eliminations (4) Subsidiary corp (5) Mixed 1120/L/PC group

Check if a sub-consolidated: (6) 1120 group (7) 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

MACOUARIE UTILITIES INC. & SUBS ELIMINATION

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
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5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACQUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

ADJUSTMENTS

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
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5 Gross foreign distributions previously taxed .				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations .				
9 Income (loss) from U.S. partnerships . . .				
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14 Total accrual to cash adjustment				
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16 Mark-to-market income (loss)				
17 Cost of goods sold (attach Form 8916-A) . .	()			()
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue				
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest .				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
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d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement) . .				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 38)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b PC Insurance subgroup reconciliation totals				
c Life Insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.

Schedule M-3 (Form 1120) 2013

Name of corporation (common parent, if consolidated return)

Employer identification number
20-4988304

MACOUARIE UTILITIES INC.

Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC group

Check if a sub-consolidated: (6) ☐ 1120 group (7) ☐ 1120 eliminations

Name of subsidiary (if consolidated return)

Employer identification number

ADJUSTMENTS

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return - Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (attach Form 8916-A)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
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21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill				
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation				
32 Bad debt expense				
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement)				
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				

Schedule M-3 (Form 1120) 2013

Name

Cost of Goods Sold

► **Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.**
► **Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.**

MACQUARIE UTILITIES INC. & SUBS		Employer identification number 20-4988304
1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule) SEE. STATEMENT. 63.	5
6	Total. Add lines 1 through 5	6
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions)	8
9a Check all methods used for valuing closing inventory: <ul style="list-style-type: none"> (i) <input type="checkbox"/> Cost (ii) <input type="checkbox"/> Lower of cost or market (iii) <input checked="" type="checkbox"/> Other (Specify method used and attach explanation.) ► <u>MOVING AVERAGE COST</u> 		
b Check if there was a writedown of subnormal goods ► <input type="checkbox"/>		
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970). ► <input type="checkbox"/>		
d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO. 9d <input type="text"/>		
e If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)? <input type="checkbox"/> Yes <input type="checkbox"/> No		
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions**Purpose of Form**

Use Form 1125-A to calculate and deduct cost of goods sold for certain entities.

Who Must File

Filers of Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B, must complete and attach Form 1125-A if the applicable entity reports a deduction for cost of goods sold.

Inventories

Generally, inventories are required at the beginning and end of each tax year if the production, purchase, or sale of merchandise is an income-producing factor. See Regulations section 1.471-1. If inventories are required, you generally must use an accrual method of accounting for sales and purchases of inventory items.

Exception for certain taxpayers. If you are a qualifying taxpayer or a qualifying small business taxpayer (defined below), you can adopt or change your accounting method to account for inventoriable items in the same manner as materials and supplies that are not incidental.

Under this accounting method, inventory costs for raw materials purchased for use in producing finished goods and merchandise purchased for resale are deductible in the year the finished goods or merchandise are sold (but not before the year you paid for the raw materials or merchandise, if you are also using the cash method).

If you account for inventoriable items in the same manner as materials and supplies that are not incidental, you can currently deduct expenditures for direct labor and all indirect costs that would otherwise be included in inventory costs. See the instructions for lines 2 and 7.

For additional guidance on this method of accounting, see Pub. 538, Accounting Periods and Methods. For guidance on adopting or changing to this method of accounting, see Form 3115, Application for Change in Accounting Method, and its instructions.

Qualifying taxpayer. A qualifying taxpayer is a taxpayer that, (a) for each prior tax year ending after December 16, 1998, has average annual gross receipts of \$1 million or less for the 3 prior tax years and (b) its business is not a tax shelter (as defined in section 448(d)(3)). See Rev. Proc. 2001-10, 2001-2 I.R.B. 272.

Qualifying small business taxpayer. A qualifying small business taxpayer is a taxpayer that, (a) for each prior tax year

ending on or after December 31, 2000, has average annual gross receipts of \$10 million or less for the 3 prior tax years, (b) whose principal business activity is not an ineligible activity, and (c) whose business is not a tax shelter (as defined in section 448(d)(3)). See Rev. Proc. 2002-28, 2002-18, I.R.B. 815.

Uniform capitalization rules. The uniform capitalization rules of section 263A generally require you to capitalize, or include in inventory, certain costs incurred in connection with the following.

- The production of real property and tangible personal property held in inventory or held for sale in the ordinary course of business.
- Real property or personal property (tangible and intangible) acquired for resale.
- The production of real property and tangible personal property by a corporation for use in its trade or business or in an activity engaged in for profit.

See the discussion on section 263A uniform capitalization rules in the instructions for your tax return before completing Form 1125-A. Also see Regulations sections 1.263A-1 through 1.263A-3. See Regulations section 1.263A-4 for rules for property produced in a farming business.

(Rev. December 2013)

Department of the Treasury
Internal Revenue Service

Name _____

Compensation of Officers

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.

► Information about Form 1125-E and its separate instructions is at www.irs.gov/form1125e.

REDACTED
Aquarion Water Company of NH
Technical Statement of Troy Dixon
Attachment 1
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Employer identification number

20-4988304

Note. Complete Form 1125-E only if total receipts are \$500,000 or more. See instructions for definition of total receipts.

[illegible]

2 Total compensation of officers

2

3 Compensation of officers claimed on Form 1125-A or elsewhere on return

3

4 Subtract line 3 from line 2. Enter the result here and on Form 1120, page 1, line 12 or the appropriate line of your tax return **SEE STATEMENT 64**

4

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-E (Rev. 12-2013)

Form **4562**

Depreciation and Amortization **(Including Information on Listed Property)**

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

2013

Attachment
Sequence No. **179**

Name(s) shown on return

MACQUARIE UTILITIES INC. & SUBS

Business or activity to which this form relates

Identifying number

20-4988304

GENERAL DEPRECIATION & AMORTIZATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1
2	Total cost of section 179 property placed in service (see instructions)	2
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5
6	(a) Description of property	(b) Cost (business use only)
		(c) Elected cost
7	Listed property. Enter the amount from line 29	7
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8
9	Tentative deduction. Enter the smaller of line 5 or line 8	9
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12
13	Carryover of disallowed deduction to 2014. Add lines 9 and 10, less line 12	13

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14
15	Property subject to section 168(f)(1) election	15
16	Other depreciation (including ACRS)	16

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	

Section B - Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property			3.000	HY	DB	
b 5-year property			5.000	HY	200 DB	
c 7-year property			7.000	HY	200 DB	
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.	HY	S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

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Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?		Yes	No	24b If "Yes," is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25								
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%			S/L -			
		%			S/L -			
		%			S/L -			
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1. 28								
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29								

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles) . . .						
31 Total commuting miles driven during the year . . .						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year (see instructions):					
43 Amortization of costs that began before your 2013 tax year 43					
44 Total. Add amounts in column (f). See the instructions for where to report. 44					

Form **4797**

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service

► Attach to your tax return.

► Information about Form 4797 and its separate instructions is at www.irs.gov/form4797.

Attachment
Sequence No. **27**

Name(s) shown on return

Identifying number

MACQUARIE UTILITIES INC. & SUBS

20-4988304

1 Enter the gross proceeds from sales or exchanges reported to you for 2013 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	STMT 71						
3	Gain, if any, from Form 4684, line 39						3
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37						4
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824						5
6	Gain, if any, from line 32, from other than casualty or theft						6
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.						7
8	Nonrecaptured net section 1231 losses from prior years (see instructions).						8
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions).						9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	Loss, if any, from line 7					11
12	Gain, if any, from line 7 or amount from line 8, if applicable					12
13	Gain, if any, from line 31					13
14	Net gain or (loss) from Form 4684, lines 31 and 38a					14
15	Ordinary gain from installment sales from Form 6252, line 25 or 36					15
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824					16
17	Combine lines 10 through 16					17
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below: a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14					18a 18b

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2013)

Form 4797 (2013)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A			
B			
C			
D			

These columns relate to the properties on lines 19A through 19D. ►		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21	23			
24	Total gain. Subtract line 23 from line 20	24			
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions).	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions).	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions).	27b			
c	Enter the smaller of line 24 or 27b	27c			
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions).	28a			
b	Enter the smaller of line 24 or 28a	28b			
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126 (see instructions).	29a			
b	Enter the smaller of line 24 or 29a (see instructions).	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation (see instructions)	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Form 4797 (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

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Attachment 1
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2013

Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary

Employer identification number

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income STMT 76				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense STMT 77				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

OMB No. 1545-2091
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2013

Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary
MACOUARIE UTILITIES INC.

Employer identification number
20-4988304

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary

AQUARION HOLDINGS LLC

Employer identification number
75-3216999

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary

AQUARION COMPANY

Employer identification number
06-0852232

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

2013

Attachment 1
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Name of common parent MACQUARIE UTILITIES INC.	Employer identification number 20-4988304
Name of subsidiary AQUARION WATER COMPANY OF CONNECTICUT	Employer identification number 06-0272360

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment . . .				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing . . .				
g Other post-retirement benefits .				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs . . .				
3 Inventory shrinkage accruals . .				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

AQUARION WATER COMPANY OF CONNECTICUT

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 Aquarion Water Company of NH
 06-0272360
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Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form 8916-A (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

Name of common parent

MACQUARIE UTILITIES INC.

Employer identification number

20-4988304

Name of subsidiary

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

Employer identification number

04-2169260

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form 8916-A (2013)

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

Form 8916-A (2013)

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 Aquarion Water Company of NH
 Technical Statement of Troy Dixon
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Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form 8916-A (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► **Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.**
► **Information about Form 8916-A and its instructions is at www.irs.gov/form1120.**

Aquarion Water Company of NH
Technical Statement of Troy Dixon

2013

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Name of common parent MACQUARIE UTILITIES INC.	Employer identification number 20-4988304
Name of subsidiary AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	Employer identification number 02-0144390

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment . . .				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing . . .				
g Other post-retirement benefits .				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals . .				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

Form 8916-A (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form 8916-A (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
► Information about Form 8916-A and its instructions is at www.irs.gov/form1120.

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Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

Employer identification number
22-3388372

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

Form 8916-A (2013)

REDACTED
 Aquarion Water Company of NH
 22-3388372
 Technical Statement of Troy Dixon
 Page 2
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Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form 8916-A (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.
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OMB No. 1545-2041
2013

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Name of common parent MACQUARIE UTILITIES INC.	Employer identification number 20-4988304
Name of subsidiary HOMEOWNER SAFETY VALVE COMPANY F/K/A AQUARION SAFETY VALVE COMPANY	Employer identification number 20-0170573

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment . . .				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing . . .				
g Other post-retirement benefits .				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs . . .				
3 Inventory shrinkage accruals . .				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

Form **8916-A**

Supplemental Attachment to Schedule M-3

Department of the Treasury
Internal Revenue Service

► **Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.**
► **Information about Form 8916-A and its instructions is at www.irs.gov/form1120.**

OMB No. 1545-2041
2013
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Page 67 of 148

Name of common parent
MACQUARIE UTILITIES INC.

Employer identification number
20-4988304

Name of subsidiary

Employer identification number

MACOUARIE UTILITIES INC. & SUBS ELIMINATION

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment . . .				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing . . .				
g Other post-retirement benefits .				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals . .				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement).				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2013)

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4 a	Intercompany interest income - From outside tax affiliated group				
4 b	Intercompany interest income - From tax affiliated group				
5	Other interest income				
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See the instructions.				

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3 a	Intercompany interest expense - Paid to outside tax affiliated group				
3 b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense				
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.				

Form **8916-A** (2013)

COMBINED	MACQUARIE	ADJUSTMENTS	MACQUARIE
	UTILITIES INC. &		UTILITIES INC. &
	SUBS ELIMINATION		SUBS

(continued)

MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS, INC	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS, INC
20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372

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Consolidated Schedules
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HOMEOWNER SAFETY
VALVE COMPANY

20-0170573

1a	Gross receipts or sales	
1b	Returns and allowances	
1c	Balance	
2	Cost of goods sold	
3	Gross profit	
4	Dividends	
5	Interest	
6	Gross rents	
7	Gross royalties	
8	Capital gain net	
9	Net gain or (loss) from Form 4797	
10	Other income	
11	Total income	
12	Compensation of officers	
13	Salaries and wages	
14	Repairs and maintenance	
15	Bad debts	
16	Rents	
17	Taxes and licenses	
18	Interest	
19	Charitable contributions	
20	Depreciation	
21	Depletion	
22	Advertising	
23	Pension, profit-sharing etc., plans	
24	Employee benefit programs	
25	Domestic production activities deduction	
26	Other deductions	
27	Total deductions	
28	Taxable income before NOL & Spec. Deductions	
29	NOL, Spec. deductions	
30	Taxable income	

LINE 10 - OTHER INCOME

SUBTOTAL

SUBTOTAL

SUBTOTAL

SUBTOTAL

TOTAL LINE 10 - OTHER INCOME

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=====

LINE 17 - TAXES (EXCLUDING INCOME TAXES)
=====

MACQUARIE UTILITIES INC.

OTHER FRANCHISE TAX

SUBTOTAL

AQUARION COMPANY

PAYROLL TAXES
PROPERTY TAXES

SUBTOTAL

AQUARION WATER COMPANY OF CONNECTICUT

PAYROLL TAXES
PROPERTY TAXES

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

PAYROLL TAXES
PROPERTY TAXES

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

PAYROLL TAXES
PROPERTY TAXES

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

PAYROLL TAXES
PROPERTY TAXES

SUBTOTAL

CONTINUED ON NEXT PAGE

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1120 PAGE 1 DETAIL
=====

LINE 17 - TAXES (EXCLUDING INCOME TAXES) (CONT'D)
=====

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

OTHER FRANCHISE TAX

SUBTOTAL

TOTAL - TAXES (EXCLUDING INCOME TAXES)
=====

LINE 17 - OTHER STATE AND LOCAL TAXES
=====

MACQUARIE UTILITIES INC.

CURRENT STATE INCOME TAXES

SUBTOTAL

AQUARION HOLDINGS LLC

CURRENT STATE INCOME TAXES

SUBTOTAL

AQUARION COMPANY

CURRENT STATE INCOME TAXES

SUBTOTAL

AQUARION WATER COMPANY OF CONNECTICUT

CURRENT STATE INCOME TAXES

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

CURRENT STATE INCOME TAXES

SUBTOTAL

CONTINUED ON NEXT PAGE

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1120 PAGE 1 DETAIL
=====LINE 17 - OTHER STATE AND LOCAL TAXES (CONT'D)
=====AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

CURRENT STATE INCOME TAXES

SUBTOTAL

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

CURRENT STATE INCOME TAXES

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

CURRENT STATE INCOME TAXES

SUBTOTAL

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

CURRENT STATE INCOME TAXES

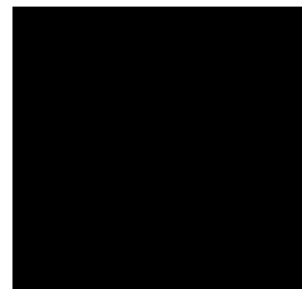
SUBTOTAL

TOTAL - OTHER STATE AND LOCAL TAXES
=====

1120 PAGE 1 DETAIL

LINE 19 - CONTRIBUTIONS DEDUCTION

-
1. TAXABLE INCOME (EXCLUDING CONTRIBUTIONS AND DOMESTIC PRODUCTION ACTIVITIES DEDUCTION)
 2. LESS: NOL CARRYOVER
 3. PLUS: CAPITAL LOSS CARRYBACK
 4. TAXABLE INCOME WITHOUT REGARD TO CONTRIBUTIONS, SPECIAL DEDUCTIONS, DOMESTIC PRODUCTION ACTIVITIES DEDUCTION, NOL CARRYBACKS, AND CAPITAL LOSS CARRYBACKS
 5. CONTRIBUTION DEDUCTION LIMITATION (TAXABLE INCOME X 10%)
 6. AMOUNT OF DEDUCTIBLE CONTRIBUTIONS
 7. CONTRIBUTION DEDUCTION (LESSER OF LINE 5 OR LINE 6)



NONE

LINE 19 - 5 YEAR CONTRIBUTION CARRYOVER

YEAR ENDING	AMOUNT AVAILABLE	AMOUNT UTILIZED	CONVERTED TO NOL CARRYOVER	CARRYOVER TO NEXT YEAR
12/31/2008		NONE		
12/31/2009		NONE		
12/31/2010		NONE		
12/31/2011		NONE		
12/31/2012		NONE		
12/31/2013		NONE		
TOTAL		NONE		

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=====LINE 19 - CURRENT YEAR CONTRIBUTIONS
=====AQUARION WATER COMPANY OF CONNECTICUT

CHARITABLE CONTRIBUTIONS

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

CHARITABLE CONTRIBUTIONS

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

CHARITABLE CONTRIBUTIONS

SUBTOTAL

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

CURRENT YEAR CONTRIBUTIONS

SUBTOTAL

TOTAL CURRENT YEAR CONTRIBUTIONS

LINE 26 - SUMMARY OF TRAVEL, MEALS AND ENTERTAINMENT
=====AQUARION COMPANY

NET MEALS AND ENTERTAINMENT TO OTHER DEDUCTIONS

SUBTOTAL

1120 PAGE 1 DETAIL
=====

LINE 26 - SUMMARY OF TRAVEL, MEALS AND ENTERTAINMENT (CONT'D)
=====

AQUARION WATER COMPANY OF CONNECTICUT

NET MEALS AND ENTERTAINMENT TO OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

NET MEALS AND ENTERTAINMENT TO OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

NET MEALS AND ENTERTAINMENT TO OTHER DEDUCTIONS

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

NET MEALS AND ENTERTAINMENT TO OTHER DEDUCTIONS

SUBTOTAL

TOTAL LINE 26 - TRAVEL, MEALS AND ENTERTAINMENT
=====

LINE 26 - OTHER DEDUCTIONS
=====

MACQUARIE UTILITIES INC.

AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES
INSURANCE
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

1120 PAGE 1 DETAIL
=====

LINE 26 - OTHER DEDUCTIONS (CONT'D)
=====

AQUARION HOLDINGS LLC

AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

AQUARION COMPANY

TRAVEL, MEALS AND ENTERTAINMENT
AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES
AFFILIATED COMPANY MANAGEMENT FEES
DIRECTORS RETIREMENT
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER COMPANY OF CONNECTICUT

AMORTIZATION
TRAVEL, MEALS AND ENTERTAINMENT
CUSTOMER ACCOUNTING
IT EXPENSES
OFFICE EXPENSES
AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES
AFFILIATED COMPANY MANAGEMENT FEES
REGULATORY EXPENSES
INSURANCE
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

AMORTIZATION
TRAVEL, MEALS AND ENTERTAINMENT
CUSTOMER ACCOUNTING
IT EXPENSES
OFFICE EXPENSES
AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES

CONTINUED ON NEXT PAGE

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1120 PAGE 1 DETAIL
=====LINE 26 - OTHER DEDUCTIONS (CONT'D)
=====

AFFILIATED COMPANY MANAGEMENT FEES
REGULATORY EXPENSES
PATRONAGE DISTRIBUTION
INSURANCE
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

AMORTIZATION
TRAVEL, MEALS AND ENTERTAINMENT
CUSTOMER ACCOUNTING
IT EXPENSES
OFFICE EXPENSES
AUDIT AND LEGAL EXPENSES
OUTSIDE SERVICES
AFFILIATED COMPANY MANAGEMENT FEES
REGULATORY EXPENSES
PATRONAGE DISTRIBUTION
INSURANCE
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

AQUARION WATER CAPITAL OF MASSACHUSETTS, INC

OUTSIDE SERVICES
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

TRAVEL, MEALS AND ENTERTAINMENT
CUSTOMER ACCOUNTING
OFFICE EXPENSES
LEGAL EXPENSES
OUTSIDE SERVICES
AFFILIATED COMPANY MANAGEMENT FEES
INSURANCE EXPENSES
MISCELLANEOUS OTHER DEDUCTIONS

SUBTOTAL

CONTINUED ON NEXT PAGE

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LINE 26 - OTHER DEDUCTIONS (CONT'D)

TOTAL LINE 26 - OTHER DEDUCTIONS

====
[REDACTED]

FORM 1120, PAGE 1 DETAIL

NON-SRLY NOL CARRYOVER SCHEDULE

MACQUARIE UTILITIES INC. & SUBS

YEAR ENDING	ORIGINAL NOL	AMOUNT AVAILABLE	AMOUNT USED IN CURRENT YEAR	CONVERTED CONTRIBUTIONS	CARRYOVER TO NEXT YEAR
12/31/1997					
12/31/1998					
12/31/1999					
12/31/2000					
12/31/2001					
12/31/2002					
12/31/2003					
12/31/2004					
12/31/2005					
12/31/2006					
12/31/2007					
12/31/2008					
12/31/2009					
12/31/2010					
12/31/2011					
12/31/2012					
12/31/2013					
TOTAL					

	COMBINED	MACQUARIE UTILITIES INC. & SUBS ELIMINATION	ADJUSTMENTS	MACQUARIE UTILITIES INC. & SUBS
Consolidated Schedules				
Sch. C Summary				
Dividends	-----	-----	-----	-----
1 Domestic Corps-subj. to 70% ded				
2 Domestic Corps-subj.to 80% ded				
3 Debt-Financed stock - Dom & Fgn				
4 Pref Stk < 20% owned Pub Util				
5 Pref Stk >= 20% owned Pub Util				
6 <20% Fgn Corps & FSC's-70%				
7 >= 20% Fgn Corps & FSC's-80%				
8 Wholly-owned fgn subs-100%				
10 Domestic corps-Small Bus Inv				
11 From affiliated group member				
12 From certain FSCs				
13 Foreign corps not incl. above				
14 Controlled fgn groups under Subpart F				
15 Foreign Dividend Gross-up				
16 IC-DISC and former DISC Div not included above				
17 Other dividends				
19 TOTAL DIVIDENDS				
Special Deductions				
1 Domestic Corp-subj. to 70% ded				
2 Domestic Corp-subj. to 80% ded				
3 Debt-Financed stock-Dom & Fgn				
4 Pref Stk < 20% owned Pub Util				
5 Pref Stk >= 20% owned Pub Util				
6 < 20% Fgn Corps & FSC's-70%				
7 >= 20% Fgn Corps & FSC's-80%				
8 Wholly-owned fgn subs-100%				
9 Total Lines 1-8				
10 Domestic corps-Small Bus Inv				
11 From affiliated group member				
12 From certain FSCs				
18 Deduction for Div Paid on Pref Stock of Public Utilities				
20 TOTAL SPECIAL DEDUCTIONS				

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS, INC	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS, INC
Consolidated Schedules								
Sch. C Summary	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
Dividends	-----	-----	-----	-----	-----	-----	-----	-----
1 Domestic Corps-subj. to 70% ded								
2 Domestic Corps-subj.to 80% ded								
3 Debt-Financed stock - Dom & Fgn								
4 Pref Stk < 20% owned Pub Util								
5 Pref Stk >= 20% owned Pub Util								
6 <20% Fgn Corps & FSC's-70%								
7 >= 20% Fgn Corps & FSC's-80%								
8 Wholly-owned fgn subs-100%								
10 Domestic corps-Small Bus Inv								
11 From affiliated group member								
12 From certain FSCs								
13 Foreign corps not incl. above								
14 Controlled fgn groups under Subpart F								
15 Foreign Dividend Gross-up								
16 IC-DISC and former DISC Div not included above								
17 Other dividends								
19 TOTAL DIVIDENDS	-----	-----	-----	-----	-----	-----	-----	-----
Special Deductions	=====	=====	=====	=====	=====	=====	=====	=====
1 Domestic Corp-subj. to 70% ded								
2 Domestic Corp-subj. to 80% ded								
3 Debt-Financed stock-Dom & Fgn								
4 Pref Stk < 20% owned Pub Util								
5 Pref Stk >= 20% owned Pub Util								
6 < 20% Fgn Corps & FSC's-70%								
7 >= 20% Fgn Corps & FSC's-80%								
8 Wholly-owned fgn subs-100%								
9 Total Lines 1-8	-----	-----	-----	-----	-----	-----	-----	-----
10 Domestic corps-Small Bus Inv								
11 From affiliated group member								
12 From certain FSCs								
18 Deduction for Div Paid on Pref Stock of Public Utilities								
20 TOTAL SPECIAL DEDUCTIONS	-----	-----	-----	-----	-----	-----	-----	-----

HOMEOWNER SAFETY
VALVE COMPANY

Consolidated Schedules

Sch. C Summary 20-0170573

Dividends -----

- 1 Domestic Corps-subj. to 70% ded
- 2 Domestic Corps-subj.to 80% ded
- 3 Debt-Financed stock - Dom & Fgn
- 4 Pref Stk < 20% owned Pub Util
- 5 Pref Stk >= 20% owned Pub Util
- 6 <20% Fgn Corps & FSC's-70%
- 7 >= 20% Fgn Corps & FSC's-80%
- 8 Wholly-owned fgn subs-100%
- 10 Domestic corps-Small Bus Inv
- 11 From affiliated group member
- 12 From certain FSCs
- 13 Foreign corps not incl. above
- 14 Controlled fgn groups under Subpart F
- 15 Foreign Dividend Gross-up
- 16 IC-DISC and former DISC Div not included above
- 17 Other dividends

19 TOTAL DIVIDENDS -----

Special Deductions =====

- 1 Domestic Corp-subj. to 70% ded
- 2 Domestic Corp-subj. to 80% ded
- 3 Debt-Financed stock-Dom & Fgn
- 4 Pref Stk < 20% owned Pub Util
- 5 Pref Stk >= 20% owned Pub Util
- 6 < 20% Fgn Corps & FSC's-70%
- 7 >= 20% Fgn Corps & FSC's-80%
- 8 Wholly-owned fgn subs-100%

9 Total Lines 1-8 -----

- 10 Domestic corps-Small Bus Inv
- 11 From affiliated group member
- 12 From certain FSCs
- 18 Deduction for Div Paid on Pref Stock of Public Utilities

20 TOTAL SPECIAL DEDUCTIONS -----

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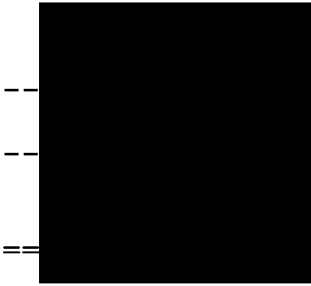
SCH C, LINE 17 - OTHER DIVIDENDS
=====

AQUARION WATER COMPANY OF CONNECTICUT

OTHER DIVIDENDS

SUBTOTAL

TOTAL SCH. C - OTHER DIVIDENDS



COMBINED MACQUARIE ADJUSTMENTS MACQUARIE
UTILITIES INC. & UTILITIES INC. &
SUBS ELIMINATION SUBS

Consolidated Schedules

Sch. L - Beginning

Assets

1 Cash

2 a Trade Notes and A/R

 b Less allowance for Bad Debts

3 Inventories

4 US Government Obligations

5 Tax-exempt Securities

6 Other Current Assets

7 Loans to Stockholders

8 Mtge and Real Estate Loans

9 Other Investments

10 a Buildings and Other Depreciable
 Assets

 b Less Accum. Depreciation

11 a Depletable Assets

 b Less Accum. Depletion

12 Land (net of any Amortization)

13 a Intangible Assets

 b Less Accum. Amortization

14 Other Assets

15 Total Assets

Liabilities and Stockholders' Equity

16 Accounts Payable

17 Mtges, Notes, Bond Payable
 in less than 1 year

18 Other Current Liabilities

19 Loans from Stockholders

20 Mtges, Notes, Bonds Payable
 in 1 year or more

21 Other Liabilities

22 a Capital stock-Preferred

 b Capital stock-Common

23 Additional Paid-in Capital

24 Retained earnings-Appropriated

25 Retained earnings-Unappropriated

26 Adjustments to shareholders' equity

27 Less cost of Treasury Stock

28 Total Liabilities and
29 Stockholders' Equity

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	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS, INC	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS, INC
Consolidated Schedules								
Sch. L - Beginning	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372

- Assets
- 1

Cash
- 2 a

Trade Notes and A/R
- b

Less allowance for Bad Debts
- 3

Inventories
- 4

US Government Obligations
- 5

Tax-exempt Securities
- 6

Other Current Assets
- 7

Loans to Stockholders
- 8

Mtge and Real Estate Loans
- 9

Other Investments
- 10 a

Buildings and Other Depreciable
Assets
- b

Less Accum. Depreciation
- 11 a

Depletable Assets
- b

Less Accum. Depletion
- 12

Land (net of any Amortization)
- 13 a

Intangible Assets
- b

Less Accum. Amortization
- 14

Other Assets
- 15

Total Assets

- Liabilities and Stockholders' Equity
- 16

Accounts Payable
- 17

Mtges, Notes, Bond Payable
in less than 1 year
- 18

Other Current Liabilities
- 19

Loans from Stockholders
- 20

Mtges, Notes, Bonds Payable
in 1 year or more
- 21

Other Liabilities
- 22 a

Capital stock-Preferred
- b

Capital stock-Common
- 23

Additional Paid-in Capital
- 24

Retained earnings-Appropriated
- 25

Retained earnings-Unappropriated
- 26

Adjustments to shareholders' equity
- 27

Less cost of Treasury Stock
- 28

Total Liabilities and
Stockholders' Equity

Consolidated Schedules

Sch. L - Beginning 20-0170573

Assets	
1	Cash
2 a	Trade Notes and A/R
b	Less allowance for Bad Debts
3	Inventories
4	US Government Obligations
5	Tax-exempt Securities
6	Other Current Assets
7	Loans to Stockholders
8	Mtge and Real Estate Loans
9	Other Investments
10 a	Buildings and Other Depreciable Assets
b	Less Accum. Depreciation
11 a	Depletable Assets
b	Less Accum. Depletion
12	Land (net of any Amortization)
13 a	Intangible Assets
b	Less Accum. Amortization
14	Other Assets
15	Total Assets
Liabilities and Stockholders' Equity	
16	Accounts Payable
17	Mtges, Notes, Bond Payable in less than 1 year
18	Other Current Liabilities
19	Loans from Stockholders
20	Mtges, Notes, Bonds Payable in 1 year or more
21	Other Liabilities
22 a	Capital stock-Preferred
b	Capital stock-Common
23	Additional Paid-in Capital
24	Retained earnings-Appropriated
25	Retained earnings-Unappropriated
26	Adjustments to shareholders' equity
27	Less cost of Treasury Stock
28	Total Liabilities and Stockholders' Equity

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COMBINED MACQUARIE ADJUSTMENTS MACQUARIE
UTILITIES INC. & UTILITIES INC. &
SUBS ELIMINATION SUBS

Consolidated Schedules
Sch. L - Ending

Assets

1 Cash

2 a Trade Notes and A/R

 b Less allowance for Bad Debts

3 Inventories

4 US Government Obligations

5 Tax-exempt Securities

6 Other Current Assets

7 Loans to Stockholders

8 Mtge and Real Estate Loans

9 Other Investments

10 a Buildings and Other Depreciable
 Assets

 b Less Accum. Depreciation

11 a Depletable Assets

 b Less Accum. Depletion

12 Land (net of any Amortization)

13 a Intangible Assets

 b Less Accum. Amortization

14 Other Assets

15 Total Assets

Liabilities and Stockholders' Equity

16 Accounts Payable

17 Mtges, Notes, Bond Payable
 in less than 1 year

18 Other Current Liabilities

19 Loans from Stockholders

20 Mtges, Notes, Bonds Payable
 in 1 year or more

21 Other Liabilities

22 a Capital stock-Preferred

 b Capital stock-Common

23 Additional Paid-in Capital

24 Retained earnings-Appropriated

25 Retained earnings-Unappropriated

26 Adjustments to Shareholders' Equity

27 Less cost of Treasury Stock

28 Total Liabilities and
 Stockholders' Equity

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	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS, INC	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS, INC
Consolidated Schedules								
Sch. L - Ending	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372

Assets	
1	Cash
2 a	Trade Notes and A/R
b	Less allowance for Bad Debts
3	Inventories
4	US Government Obligations
5	Tax-exempt Securities
6	Other Current Assets
7	Loans to Stockholders
8	Mtge and Real Estate Loans
9	Other Investments
10 a	Buildings and Other Depreciable Assets
b	Less Accum. Depreciation
11 a	Depletable Assets
b	Less Accum. Depletion
12	Land (net of any Amortization)
13 a	Intangible Assets
b	Less Accum. Amortization
14	Other Assets
15	Total Assets
Liabilities and Stockholders' Equity	
16	Accounts Payable
17	Mtges, Notes, Bond Payable in less than 1 year
18	Other Current Liabilities
19	Loans from Stockholders
20	Mtges, Notes, Bonds Payable in 1 year or more
21	Other Liabilities
22 a	Capital stock-Preferred
b	Capital stock-Common
23	Additional Paid-in Capital
24	Retained earnings-Appropriated
25	Retained earnings-Unappropriated
26	Adjustments to Shareholders' Equity
27	Less cost of Treasury Stock
28	Total Liabilities and Stockholders' Equity

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Consolidated Schedules

Sch. L - Ending 20-0170573

Assets	
1	Cash
2 a	Trade Notes and A/R
b	Less allowance for Bad Debts
3	Inventories
4	US Government Obligations
5	Tax-exempt Securities
6	Other Current Assets
7	Loans to Stockholders
8	Mtge and Real Estate Loans
9	Other Investments
10 a	Buildings and Other Depreciable Assets
b	Less Accum. Depreciation
11 a	Depletable Assets
b	Less Accum. Depletion
12	Land (net of any Amortization)
13 a	Intangible Assets
b	Less Accum. Amortization
14	Other Assets
15	Total Assets
Liabilities and Stockholders' Equity	
16	Accounts Payable
17	Mtges, Notes, Bond Payable
	in less than 1 year
18	Other Current Liabilities
19	Loans from Stockholders
20	Mtges, Notes, Bonds Payable
	in 1 year or more
21	Other Liabilities
22 a	Capital stock-Preferred
b	Capital stock-Common
23	Additional Paid-in Capital
24	Retained earnings-Appropriated
25	Retained earnings-Unappropriated
26	Adjustments to Shareholders' Equity
27	Less cost of Treasury Stock
28	Total Liabilities and Stockholders' Equity

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	BEGINNING	ENDING
LINE 6 - OTHER CURRENT ASSETS		
=====		
MACQUARIE UTILITIES INC.		

INTERCOMPANY RECEIVABLES		
PREPAID INSURANCE		
SUBTOTAL		
AQUARION HOLDINGS LLC		

LOAN TO AFFILIATED COMPANIES		
PREPAID EXPENSES		
UNAMORTIZED DEBT DISCOUNT		
SUBTOTAL		
AQUARION COMPANY		

INTERCOMPANY RECEIVABLES		
PREPAYMENTS		
OTHER CURRENT ASSETS		
MISCELLANEOUS RECEIVABLES		
LOANS TO AFFILIATED COMPANIES		
SUBTOTAL		
AQUARION WATER COMPANY		

LOAN TO AFFILIATED COMPANIES		
SUBTOTAL		
AQUARION WATER COMPANY OF CONNECTICUT		

ACCRUED UTILITY REVENUES		
LOAN TO AFFILIATED COMPANIES		
PREPAID EXPENSES		
SUBTOTAL		

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=====

	BEGINNING	ENDING
LINE 6 - OTHER CURRENT ASSETS (CONT'D)		
=====		
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.		

ACCRUED UTILITY REVENUES		
RECEIVABLES ASSOCIATED COMPANIES		
PREPAID EXPENSES		
OTHER CURRENT ASSETS		
SUBTOTAL		
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.		

ACCRUED UTILITY REVENUES		
LOAN TO AFFILIATED COMPANIES		
PREPAID EXPENSES		
MISCELLANEOUS RECEIVABLES		
SUBTOTAL		
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC		

INTERCOMPANY RECEIVABLES		
SUBTOTAL		
HOMEOWNER SAFETY VALVE COMPANY		

LOAN TO AFFILIATED COMPANIES		
PREPAYMENTS		
SUBTOTAL		
MACQUARIE UTILITIES INC. & SUBS ELIMINATION		

INTERCOMPANY RECEIVABLES		
MISCELLANEOUS RECEIVABLES		
SUBTOTAL		
TOTAL LINE 6 - OTHER CURRENT ASSETS		
=====		

FORM 1120 PAGE 5 DETAIL, SCH. L
=====

	BEGINNING	ENDING
LINE 9 - OTHER INVESTMENTS		
=====		
MACQUARIE UTILITIES INC.		

INVESTMENT IN SUBSIDIARY		
SUBTOTAL		
AQUARION HOLDINGS LLC		

GOODWILL - AQUARION COMPANY		
INVESTMENT IN ASSOCIATED COMPANIES		
SUBTOTAL		
AQUARION COMPANY		

INVESTMENT IN ASSOCIATED COMPANIES		
OTHER INVESTMENTS		
SUBTOTAL		
AQUARION WATER COMPANY		

INVESTMENT IN ASSOCIATED COMPANIES		
GOODWILL		
SUBTOTAL		
AQUARION WATER COMPANY OF CONNECTICUT		

GOODWILL		
OTHER INVESTMENTS		
SUBTOTAL		
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.		

OTHER INVESTMENTS		
SUBTOTAL		

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=====

	BEGINNING	ENDING
LINE 9 - OTHER INVESTMENTS (CONT'D)		
=====		
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.		

OTHER INVESTMENTS		
SUBTOTAL		
MACQUARIE UTILITIES INC. & SUBS ELIMINATION		

GOODWILL		
INVESTMENT IN ASSOCIATED COMPANIES		
SUBTOTAL		
TOTAL LINE 9 - OTHER INVESTMENTS		
LINE 14 - OTHER ASSETS		
=====		
MACQUARIE UTILITIES INC.		

ACCUMULATED AMORT DEBT DISC & EXP		
UNAMORTIZED DEBT DISCOUNT & EXPENSE		
SUBTOTAL		
AQUARION HOLDINGS LLC		

UNAMORTIZED DEBT DISCOUNT & EXPENSE		
DEFERRED TAX ASSET		
SUBTOTAL		
AQUARION COMPANY		

PREPAID PENSION		
DEFERRED TAX ASSET		
CASH SURRENDER VALUE OF LIFE INS.		

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=====

	BEGINNING	ENDING
LINE 14 - OTHER ASSETS (CONT'D)		
=====		
SUBTOTAL		
AQUARION WATER COMPANY		

GOODWILL		
SUBTOTAL		
AQUARION WATER COMPANY OF CONNECTICUT		

DEFERRED PENSION AND OPEB		
OTHER DEFERRED DEBITS		
UNAMORTIZED DEBT DISCOUNT & EXPENSE		
UNFUNDED DEFERRED TAX ASSET		
GOODWILL		
SUBTOTAL		
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.		

DEFERRED PENSION AND OPEB		
OTHER DEFERRED DEBITS		
UNAMORTIZED DEBT DISCOUNT & EXPENSE		
UNFUNDED DEFERRED TAX ASSET		
SUBTOTAL		
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.		

DEFERRED PENSION AND OPEB		
OTHER DEFERRED DEBITS		
UNAMORTIZED DEBT DISCOUNT & EXPENSE		
UNFUNDED DEFERRED TAX ASSET		
SUBTOTAL		
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC		

UNAMORTIZED DEBT DISCOUNT & EXPENSE		

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=====

	BEGINNING	ENDING
LINE 14 - OTHER ASSETS (CONT'D)		
=====		
SUBTOTAL		
HOMEOWNER SAFETY VALVE COMPANY		

DEFERRED DEBITS		
DEFERRED TAX ASSET		
SUBTOTAL		
MACQUARIE UTILITIES INC. & SUBS ELIMINATION		

DEFERRED TAX ASSET		
PREPAID PENSION		
GOODWILL - AWC CT		
SUBTOTAL		
TOTAL LINE 14 - OTHER ASSETS		

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=====

	BEGINNING	ENDING
LINE 18 - OTHER CURRENT LIABILITIES - SUMMARY		
=====		
ACCRUED STATE TAX LIABILITY		
OTHER CURRENT LIABILITIES		
TOTAL OTHER CURRENT LIABILITIES		
=====		

FORM 1120 PAGE 5 DETAIL, SCH. L
=====

	BEGINNING	ENDING
LINE 18 - OTHER CURRENT LIABILITIES		
=====		
MACQUARIE UTILITIES INC.		

ACCRUED STATE TAX		
ACCRUED AUDIT FEES		
ACCRUED FEDERAL INCOME TAX		
ACCRUED LEGAL FEES		
ACCRUED ACCOUNTS PAYABLE		
SUBTOTAL		
AQUARION HOLDINGS LLC		

ACCRUED INTEREST		
DEFERRED CREDITS		
SUBTOTAL		
AQUARION COMPANY		

ACCRUED ACTUARY AND PENSION FEES		
ACCRUED AUDIT FEES		
ACCRUED BANK FEES		
ACCRUED LEGAL FEES		
ACCRUED LTIP		
ACCRUED MANAGEMENT ALLOCATION		
ACCRUED MEDICAL CLAIMS		
SUBTOTAL		
AQUARION WATER COMPANY OF CONNECTICUT		

ACCR BILL POSTAGE & PROCESSING		
ACCRUED ACQUISITION COSTS		
ACCRUED BANK FEES		
ACCRUED BONUS		
ACCRUED INSURANCE CLAIMS		
ACCRUED INTEREST		
ACCRUED LEGAL FEES		
ACCRUED MAIN BREAK COSTS		
ACCRUED MEDICAL CLAIMS		
ACCRUED MISCELLANEOUS COSTS		
ACCRUED PAYROLL AND PAYROLL TAXES		

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=====

	BEGINNING	ENDING
LINE 18 - OTHER CURRENT LIABILITIES (CONT'D)		
=====		
ACCURED PURCHASED POWER COSTS		
ACCURED PURCHASED WATER COSTS		
ACCURED SLUDGE DISPOSAL COSTS		
ACCURED TAXES		
CUSTOMER DEPOSITS		
SUBTOTAL		
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.		

ACCR BILL POSTAGE & PROCESSING		
ACCURED AUDIT FEES		
ACCURED BONUS		
ACCURED INTEREST		
ACCURED MEDICAL CLAIMS		
ACCURED MISCELLANEOUS COSTS		
ACCURED PAYROLL AND PAYROLL TAXES		
ACCURED TAXES		
CUSTOMER DEPOSITS		
SUBTOTAL		
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.		

ACCR BILL POSTAGE & PROCESSING		
ACCURED AUDIT FEES		
ACCURED BONUS		
ACCURED INTEREST		
ACCURED MISCELLANEOUS COSTS		
ACCURED PAYROLL AND PAYROLL TAXES		
ACCURED PURCHASE POWER COSTS		
CUSTOMER DEPOSITS		
DIVIDEND PAYABLE		
SUBTOTAL		
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC		

ACCURED INTEREST		
SUBTOTAL		

FORM 1120 PAGE 5 DETAIL, SCH. L
=====

	BEGINNING	ENDING
LINE 18 - OTHER CURRENT LIABILITIES (CONT'D)		
=====		
HOMEOWNER SAFETY VALVE COMPANY		

ACCRUED BANK FEES		
ACCRUED BONUS		
ACCRUED INSURANCE CLAIMS		
ACCRUED LEGAL FEES		
ACCRUED MEDICAL CLAIMS		
ACCRUED TAXES - SALES AND USE TAXES		
HSV UNEARNED REVENUE		
SUBTOTAL		
MACQUARIE UTILITIES INC. & SUBS ELIMINATION		

ACCRUED INCOME TAXES		
SUBTOTAL		
TOTAL LINE 18 - OTHER CURRENT LIABILITIES		
=====		
LINE 21 - OTHER LIABILITIES		
=====		
MACQUARIE UTILITIES INC.		

DEFERRED INCOME TAX LIABILITY		
SUBTOTAL		
AQUARION HOLDINGS LLC		

UNREALIZED LOSS ON SWAPS		
SUBTOTAL		
AQUARION COMPANY		

ACCRUED DIRECTORS RETIREMENT		
DEFERRED INCOME TAX LIABILITY		
DEFERRED OPEB		
DEFERRED SERP		

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FORM 1120 PAGE 5 DETAIL, SCH. L
=====

	BEGINNING	ENDING
LINE 21 - OTHER LIABILITIES (CONT'D)		
=====		
SUBTOTAL		
AQUARION WATER COMPANY OF CONNECTICUT		

ACCRUED PENSION LIABILITY		
CONTRIBUTIONS - AID OF CONSTRUCTION		
CUSTOMER ADVANCES FOR CONSTRUCTION		
DEFERRED CREDITS		
DEFERRED INCOME TAX LIABILITY		
DEFERRED INSURANCE COST - FAS 106		
DEFERRED SERP		
SUBTOTAL		
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.		

ACCRUED PENSION LIABILITY		
CONTRIBUTIONS - AID OF CONSTRUCTION		
CUSTOMER ADVANCES FOR CONSTRUCTION		
OTHER DEFERRED CREDITS		
DEFERRED INCOME TAX LIABILITY		
DEFERRED INSURANCE COST - FAS 106		
MARK TO MARKET ADJUSTMENT		
SUBTOTAL		
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.		

ACCRUED PENSION LIABILITY		
CONTRIBUTIONS - AID OF CONSTRUCTION		
CUSTOMER ADVANCES FOR CONSTRUCTION		
DEFERRED CREDITS		
DEFERRED INCOME TAX LIABILITY		
DEFERRED INSURANCE COST - FAS 106		
SUBTOTAL		
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC		

DEFERRED CREDITS		
DEFERRED INCOME TAX LIABILITY		
SUBTOTAL		

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	BEGINNING	ENDING
LINE 21 - OTHER LIABILITIES (CONT'D)		
=====		
HOMEOWNER SAFETY VALVE COMPANY		

ACCRUED PENSION		
DEFERRED INSURANCE		
HSV UNEARNED REVENUE		
SUBTOTAL		
MACQUARIE UTILITIES INC. & SUBS ELIMINATION		

ACCRUED PENSION LIABILITY		
DEFERRED INCOME TAX LIABILITY		
OTHER LONG TERM LIABILITIES		
SUBTOTAL		
TOTAL LINE 21 - OTHER LIABILITIES		
=====		

MACQUARIE

UTILITIES INC. &

SUBS

Schedule M-1

- | Schedule M-2 | |
|--------------|------------------------------|
| 1 | Balance at beginning of year |
| 2 | Net Income per Books |
| 3 | Other Increases |
| 4 | Total Line 1-3 |
| 5 | Distributions |
| | a Cash |
| | b Stock |
| | c Property |
| 6 | Other Decreases |
| 7 | Total lines 5 and 6 |
| 8 | Balance at end of year |

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7
8 JSA
303

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20-4988304

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STATEMENT

REDACTED
Aquarion Water Company of NH
Technical Statement of Troy Dixon
Attachment 1
Page 105 of 148

Consolidated Schedules

Sch. M1 and M-2 Summary

- 1 Net income per books
- 2 Federal Income Tax
- 3 Excess Capital Losses
- 4 Income Subject to Tax not on Books
- 5 Expenses Recorded on Books
not Deducted on Return
 - a Depreciation
 - b Charitable Contributions
 - c Travel and EntertainmentOther

6 Total Lines 1-5

7 Income Recorded on Books
not Included on Return

a Tax-exempt Interest

Other

8 Deductions on Return not on Books

a Depreciation

b Charitable Contributions

Other

10 Income (Line 28, Page 1)

- 1 Balance at beginning of year
- 2 Net Income per Books
- 3 Other Increases

5 Distributions

a Cash

b Stock

c Property

6 Other Decreases

7 ⁶ ₀ Total lines 5 and 6

8 $\frac{0}{4}$ Balance at end of year

Consolidated Schedules
Sch. M1 and M-2 Summary

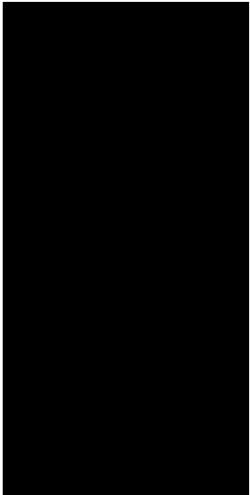
20-0170573

Schedule M-1

- 1 Net income per books
- 2 Federal Income Tax
- 3 Excess Capital Losses
- 4 Income Subject to Tax not on Books
- 5 Expenses Recorded on Books
 - not Deducted on Return
 - a Depreciation
 - b Charitable Contributions
 - c Travel and Entertainment
 - Other
- 6 Total Lines 1-5
- 7 Income Recorded on Books
 - not Included on Return
 - a Tax-exempt Interest
 - Other
- 8 Deductions on Return not on Books
 - a Depreciation
 - b Charitable Contributions
 - Other
- 9 Total Lines 7 and 8
- 10 Income (Line 28, Page 1)

Schedule M-2

- 1 Balance at beginning of year
- 2 Net Income per Books
- 3 Other Increases
- 4 Total Line 1-3
- 5 Distributions
 - a Cash
 - b Stock
 - c Property
- 6 Other Decreases
- 7 Total lines 5 and 6
- 8 Balance at end of year



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1120 PAGE 5 DETAIL
=====

SCH. M-2, LINE 3 - OTHER INCREASES
=====

MACQUARIE UTILITIES INC.

MARK TO MARKET GAIN/LOSS ON SWAP
FAS 158 ADJUSTMENTS

SUBTOTAL

AQUARION HOLDINGS LLC

MARK TO MARKET GAIN/LOSS ON SWAP
FAS 158 ADJUSTMENTS

SUBTOTAL

AQUARION COMPANY

MARK TO MARKET GAIN/LOSS ON SWAP
FAS 158 ADJUSTMENTS

SUBTOTAL

AQUARION WATER COMPANY

MARK TO MARKET GAIN/LOSS ON SWAP

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

MARK TO MARKET GAIN/LOSS ON SWAP

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

FAS 158 ADJUSTMENTS

SUBTOTAL

1120 PAGE 5 DETAIL
=====

SCH. M-2, LINE 3 - OTHER INCREASES (CONT'D)
=====

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

MARK TO MARKET GAIN/LOSS ON SWAP
FAS 158 ADJUSTMENTS

SUBTOTAL

TOTAL SCH. M-2, LINE 3 - OTHER INCREASES

SCH. M-2, LINE 6 - OTHER DECREASES
=====

MACQUARIE UTILITIES INC.

FAS 115 ADJUSTMENTS

SUBTOTAL

AQUARION HOLDINGS LLC

FAS 115 ADJUSTMENTS

SUBTOTAL

AQUARION COMPANY

FAS 115 ADJUSTMENTS

SUBTOTAL

AQUARION WATER COMPANY

FAS 115 ADJUSTMENTS

SUBTOTAL

AQUARION WATER COMPANY OF CONNECTICUT

FAS 115 ADJUSTMENTS

CONTINUED ON NEXT PAGE

STATEMENT 41
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1120 PAGE 5 DETAIL
=====

SCH. M-2, LINE 6 - OTHER DECREASES (CONT'D)
=====

SUBTOTAL

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

FAS 115 ADJUSTMENTS

SUBTOTAL

TOTAL SCH. M-2, LINE 6 - OTHER DECREASES



Consolidated Schedules

4626-AMT

	COMBINED	MACQUARIE UTILITIES INC. & SUBS	ADJUSTMENTS	MACQUARIE UTILITIES INC. & SUBS
1 Taxable income before NOL				
Adjustments and Preferences				
2 a Depr. of post 1986 property				
b Amort of pollution control facilities				
c Amort of exploration and dev cost				
d Amort of circulation expenses				
e Adjusted gain or loss				
f Long-term contracts				
g Merchant marine funds				
h Section 833(b) deduction				
i Tax shelter farm activities				
j Passive activities				
k Loss limitations				
l Depletion				
m Tax exempt interest				
n Intangible drilling costs				
o Other adjustments	NONE	NONE	NONE	NONE
3 Pre-adjustment AMTI				
Adjusted current earnings adj				
4 a ACE from line 10 of worksheet				
b Line 4a less line 3				
c Line 4b multiplied by 75%				
d Total increases over reductions				
e ACE adjustment				
5 Sum of lines 3 and 4e				
6 AMT NOL deduction				
7 Alternative minimum taxable inc.				

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS,	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS,
Consolidated Schedules	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372

4626-AMT

- 1 Taxable income before NOL
- Adjustments and Preferences
- 2 a Depr. of post 1986 property
- b Amort of pollution control facilities
- c Amort of exploration and dev cost
- d Amort of circulation expenses
- e Adjusted gain or loss
- f Long-term contracts
- g Merchant marine funds
- h Section 833(b) deduction
- i Tax shelter farm activities
- j Passive activities
- k Loss limitations
- l Depletion
- m Tax exempt interest
- n Intangible drilling costs
- o Other adjustments

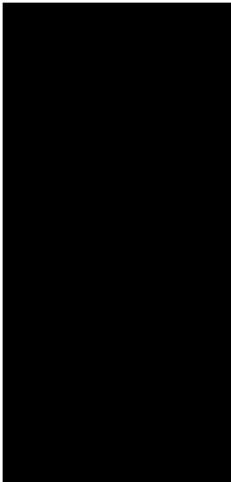
NONE NONE

- 3 Pre-adjustment AMTI
- Adjusted current earnings adj
- 4 a ACE from line 10 of worksheet
- b Line 4a less line 3
- c Line 4b multiplied by 75%
- d Total increases over reductions
- e ACE adjustment
- 5 Sum of lines 3 and 4e
- 6 AMT NOL deduction
- 7 Alternative minimum taxable inc.

HOMEOWNER
SAFETY VALVE
COMPANY
20-0170573

Consolidated Schedules
4626-AMT

- 1 Taxable income before NOL
- Adjustments and Preferences
- 2 a Depr. of post 1986 property
- b Amort of pollution control facilities
- c Amort of exploration and dev cost
- d Amort of circulation expenses
- e Adjusted gain or loss
- f Long-term contracts
- g Merchant marine funds
- h Section 833(b) deduction
- i Tax shelter farm activities
- j Passive activities
- k Loss limitations
- l Depletion
- m Tax exempt interest
- n Intangible drilling costs
- o Other adjustments
- 3 Pre-adjustment AMTI
- Adjusted current earnings adj
- 4 a ACE from line 10 of worksheet
- b Line 4a less line 3
- c Line 4b multiplied by 75%
- d Total increases over reductions
- e ACE adjustment
- 5 Sum of lines 3 and 4e
- 6 AMT NOL deduction
- 7 Alternative minimum taxable inc.



FORM 4626 DETAIL
=====LINE 20 - OTHER ADJUSTMENTS - CONTRIBUTIONS DEDUCTION

1. AMTI (EXCLUDING CONTRIBUTIONS AND
DOMESTIC PRODUCTION ACTIVITIES DEDUCTION)
2. LESS: NOL CARRYOVER
3. PLUS: CAPITAL LOSS CARRYBACK
4. AMTI WITHOUT REGARD TO CONTRIBUTIONS, SPECIAL
DEDUCTIONS, DOMESTIC PRODUCTION ACTIVITIES DEDUCTION,
NOL CARRYBACKS, AND CAPITAL LOSS CARRYBACKS
5. CONTRIBUTION DEDUCTION LIMITATION (AMTI X 10%)
6. AMOUNT OF DEDUCTIBLE CONTRIBUTIONS
7. CONTRIBUTION DEDUCTION (LESSER OF LINE 5 OR LINE 6)

5 YEAR CONTRIBUTIONS CARRYOVER

YEAR ENDING	AMOUNT AVAILABLE	AMOUNT UTILIZED	CARRYOVER TO NEXT YEAR
12/31/2012			
12/31/2013			
TOTAL			

LINE 20 - CONTRIBUTIONS ADJUSTMENT

REGULAR CONTRIBUTIONS
AMT CONTRIBUTIONS

CONTRIBUTION ADJUSTMENT

=====

FORM 4626 DETAIL

LINE 6 - NON-SRLY AMT NOL DEDUCTION

YEAR ENDING	ORIGINAL NOL	AMOUNT AVAILABLE	AMOUNT USED	CARRYOVER TO NEXT YEAR
12/31/2008				
12/31/2009				
12/31/2011				
12/31/2013				
TOTAL				

Consolidated Schedules
4626 - ACE Worksheet

Consolidated Schedules		COMBINED	MACQUARIE	ADJUSTMENTS	MACQUARIE			
4626 - ACE Worksheet			UTILITIES INC.		UTILITIES INC.			
			& SUBS		& SUBS			
1	Pre-adjustment AMTI							
	ACE depreciation adjustment							
2 a	AMT depreciation expense							
b	ACE depreciation expense:							
	(1) Post-1994 property							
	(2) Post-1990 property							
	(3) Pre-1991 MACRS							
	(4) Pre-1991 ACRS							
	(5) Sec. 168(f)(1)-(4)							
	(6) Other property							
	(7) Total ACE depreciation exp.							
c	ACE depreciation adjustment							
	Items included in E&P							
3 a	Tax exempt interest income	-----	-----	-----	-----			
b	Death benefits from life insurance							
c	Other life insurance distributions							
d	Inside buildup of undist. income							
e	Other items							
f	Total increase due to E&P items							
	Items not deductible in E&P							
4 a	Certain dividends received	-----	-----	-----	-----			
b	Public utility dividends							
c	Dividends paid to an ESOP							
d	Nonpatronage dividends							
e	Other items							
f	Total due to disallowed E&P items							
	Other E&P adjustments							
5 a	Intangible drilling costs	-----	-----	-----	-----			
b	Circulation expenditures							
c	Organizational expenditures							
d	LIFO inventory adjustments							
e	Installment sales							
f	Total other E&P adjustments							
6	Loss disallowance on debts pools							
7	Acquisition expenses							
8	Depletion							
9	Basis adj. from sale of property							
10	Adjusted current earnings							

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Consolidated Schedules
4626 - ACE Worksheet

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS,	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS,
	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
1 Pre-adjustment AMTI								
ACE depreciation adjustment								
2 a AMT depreciation expense								
b ACE depreciation expense:								
(1) Post-1994 property								
(2) Post-1990 property								
(3) Pre-1991 MACRS								
(4) Pre-1991 ACRS								
(5) Sec. 168(f)(1)-(4)								
(6) Other property								
(7) Total ACE depreciation exp.								
c ACE depreciation adjustment								
Items included in E&P								
3 a Tax exempt interest income								
b Death benefits from life insurance								
c Other life insurance distributions								
d Inside buildup of undist. income								
e Other items	-----	-----	-----	-----	-----	-----	-----	-----
f Total increase due to E&P items								
Items not deductible in E&P								
4 a Certain dividends received								
b Public utility dividends								
c Dividends paid to an ESOP								
d Nonpatronage dividends								
e Other items	-----	-----	-----	-----	-----	-----	-----	-----
f Total due to disallowed E&P items								
Other E&P adjustments								
5 a Intangible drilling costs								
b Circulation expenditures								
c Organizational expenditures								
d LIFO inventory adjustments								
e Installment sales	-----	-----	-----	-----	-----	-----	-----	-----
f Total other E&P adjustments								
6 Loss disallowance on debts pools								
7 Acquisition expenses								
8 Depletion								
9 Basis adj. from sale of property								
10 Adjusted current earnings								

Consolidated Schedules
4626 - ACE Worksheet

HOMEOWNER
SAFETY VALVE
COMPANY
20-0170573

- 1 Pre-adjustment AMTI
- ACE depreciation adjustment
- 2 a AMT depreciation expense
- b ACE depreciation expense:
- (1) Post-1994 property
- (2) Post-1990 property
- (3) Pre-1991 MACRS
- (4) Pre-1991 ACRS
- (5) Sec. 168(f)(1)-(4)
- (6) Other property
- (7) Total ACE depreciation exp.
- c ACE depreciation adjustment
- Items included in E&P
- 3 a Tax exempt interest income
- b Death benefits from life insurance
- c Other life insurance distributions
- d Inside buildup of undist. income
- e Other items
- f Total increase due to E&P items
- Items not deductible in E&P
- 4 a Certain dividends received
- b Public utility dividends
- c Dividends paid to an ESOP
- d Nonpatronage dividends
- e Other items
- f Total due to disallowed E&P items
- Other E&P adjustments
- 5 a Intangible drilling costs
- b Circulation expenditures
- c Organizational expenditures
- d LIFO inventory adjustments
- e Installment sales
- f Total other E&P adjustments
- 6 Loss disallowance on debts pools
- 7 Acquisition expenses
- 8 Depletion
- 9 Basis adj. from sale of property
- 10 Adjusted current earnings

ADJUSTMENTS

MACQUARIE UTILITIES INC. & SUBS

Consolidated Schedules		PER INC STMT	TEMPORARY	PERMANENT	PER TAX RETURN	PER INC STMT	TEMPORARY	PERMANENT	PER TAX RETURN
Schedule M-3, Part II		-----	-----	-----	-----	-----	-----	-----	-----
1	Income (loss) from equity method foreign corp.								
2	Gross foreign dividends not previously taxed								
3	Subpart F, QEF, and similar income inclusions								
4	Section 78 gross-up								
5	Gross foreign distrib. previously taxed								
6	Income (loss) from equity method U.S. corp.								
7	U.S. dividends not eliminated in tax consolidation								
8	Minority interest for includible corp.								
9	Income (loss) from U.S. partnerships								
10	Income (loss) from foreign partnerships								
11	Income (loss) from other pass-through entities								
12	Items relating to reportable transactions								
13	Interest income								
14	Total accrual to cash adjustment								
15	Hedging transactions								
16	Mark-to-market income (loss)								
17	Cost of goods sold								
18	Sales versus lease								
19	Section 481(a) adjustments								
20	Unearned/deferred revenue								
21	Income recognition from long-term contracts								
22	Original issue discount/imputed interest								
23a	Income statement gain/loss on sale, exchange, or abandonment								
23b	Gross cap. gains from Sch. D, excluding amount from pass-through entities								
23c	Gross cap. losses from Sch. D, exc. pass-through ent., abandonment, worthless stock								
23d	Net gain/loss reported on Form 4797								
23e	Abandonment losses								
23f	Worthless stock losses								
23g	Other gain/loss on disposition of assets other than inventory								
24	Capital loss limitation and carryforward used								
25	Other income (loss) items with differences								
26	Total income (loss) items	=====	=====						
27	Total expense/deduction items	=====	=====						
28	Other items with no differences								
29a	1120 subgroup reconciliation totals								
29b	PC insurance subgroup reconciliation totals								
29c	Life insurance subgroup reconciliation totals								
30	Reconciliation totals	-----	-----						
30a	1.000	=====	=====						

SCHEDULE M-3, PART II DETAIL

=====

LINE 25 - OTHER INCOME (LOSS) ITEMS WITH DIFFERENCES

DESCRIPTION	INCOME (LOSS) PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	INCOME (LOSS) PER TAX RETURN

MACQUARIE UTILITIES INC.

DIVIDENDS FROM SUBSIDIARIES

SUBTOTAL

AQUARION HOLDINGS LLC

DIVIDENDS FROM SUBSIDIARIES

SUBTOTAL

AQUARION COMPANY

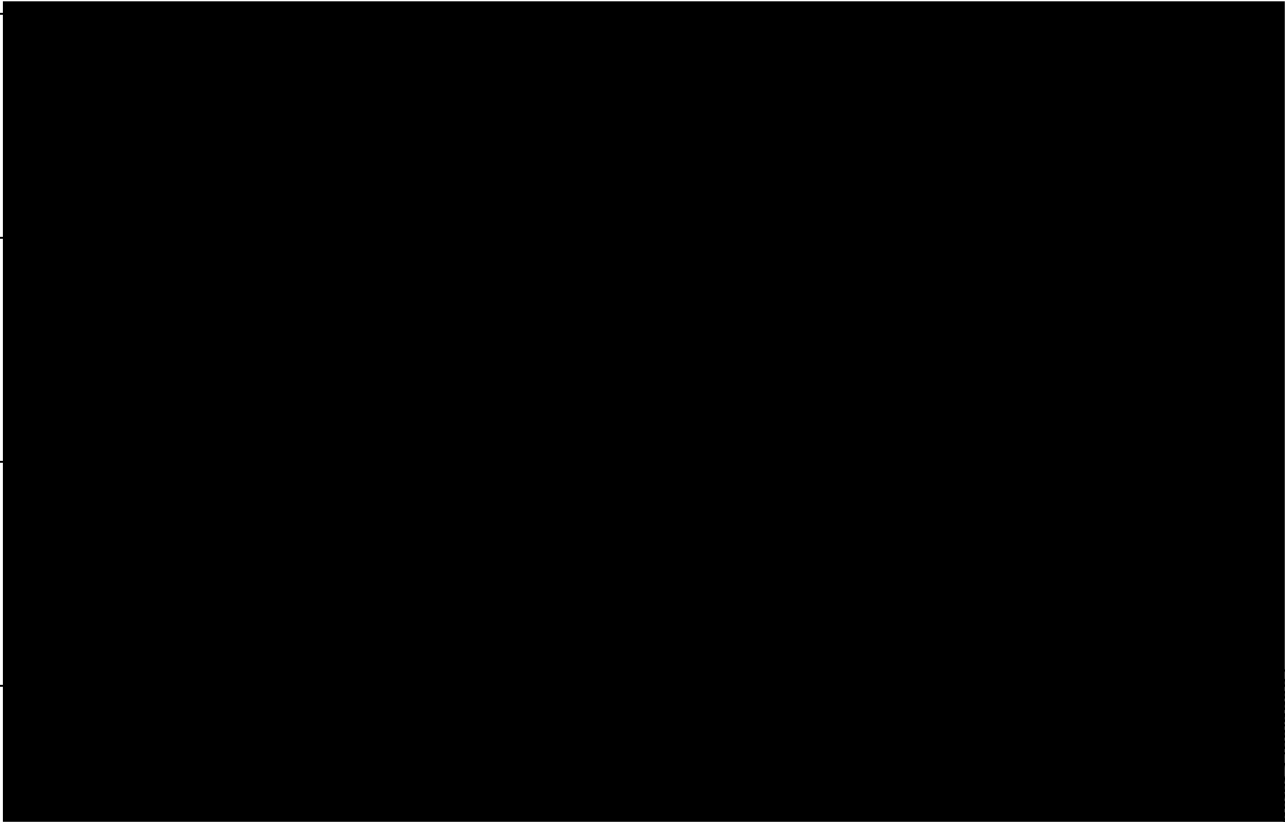
DIVIDENDS FROM SUBSIDIARIES

SUBTOTAL

AQUARION WATER COMPANY

DIVIDENDS FROM SUBSIDIARIES

SUBTOTAL



SCHEDULE M-3, PART II DETAIL

LINE 25 - OTHER INCOME (LOSS) ITEMS WITH DIFFERENCES (CONT'D)

DESCRIPTION	INCOME (LOSS) PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	INCOME (LOSS) PER TAX RETURN
AQUARION WATER COMPANY OF CONNECTICUT				
SERVICE CONNECTION FEES				
DIVIDENDS FROM SUBSIDIARIES				
SUBTOTAL				
MACQUARIE UTILITIES INC. & SUBS ELIMINATION				
DIVIDENDS FROM SUBSIDIARIES				
SUBTOTAL				
TOTAL				

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

PER TAX RETURN

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3C8044 2.000

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REDACTED
Aquarion Motor Company of NH

MACQUARIE UTILITIES INC. & SUBS

REDACTED

SCHEDULE M-3, PART III DETAIL

LINE 37 - OTHER EXPENSE/DEDUCTION ITEMS WITH DIFFERENCES

DESCRIPTION	EXPENSE PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
MACQUARIE UTILITIES INC.				
OUTSIDE SERVICES				
INSURANCE				
SUBTOTAL				
AQUARION HOLDINGS LLC				
OUTSIDE SERVICES				
SUBTOTAL				
AQUARION COMPANY				
SALARIES AND WAGES				
DIRECTORS' RETIREMENT				
OTHER FRINGE BENEFITS				
OUTSIDE SERVICES				
COUNTRY CLUB DUES				
SUBTOTAL				
AQUARION WATER COMPANY OF CONNECTICUT				

SCHEDULE M-3, PART III DETAIL

LINE 37 - OTHER EXPENSE/DEDUCTION ITEMS WITH DIFFERENCES (CONT'D)

DESCRIPTION	EXPENSE PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
SALARIES AND WAGES				
REPAIRS AND MAINTENANCE				
OTHER FRINGE BENEFITS				
OUTSIDE SERVICES				
INSURANCE				
LOBBYING				
SUBTOTAL				
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.				
PATRONAGE DISTRIBUTION				
SALARIES AND WAGES				
REPAIRS AND MAINTENANCE				
OTHER FRINGE BENEFITS				
OUTSIDE SERVICES				
INSURANCE				
SUBTOTAL				
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.				
OTHER EXP/DED ITEMS WITH DIFF				
PATRONAGE DISTRIBUTION				
SALARIES AND WAGES				

SCHEDULE M-3, PART III DETAIL

LINE 37 - OTHER EXPENSE/DEDUCTION ITEMS WITH DIFFERENCES (CONT'D)

DESCRIPTION	EXPENSE PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
REPAIRS AND MAINTENANCE				
OTHER FRINGE BENEFITS				
OUTSIDE SERVICES				
INSURANCE				
SUBTOTAL				
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC				
OUTSIDE SERVICES				
SUBTOTAL				
HOMEOWNER SAFETY VALVE COMPANY				
OTHER EXP/DED ITEMS WITH DIFF				
SALARIES AND WAGES				
REPAIRS AND MAINTENANCE				
OTHER FRINGE BENEFITS				
OUTSIDE SERVICES				
INSURANCE				
SUBTOTAL				
TOTAL				

[REDACTED]

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AQUARION WATER COMPANY OF CONNECTICUT	AQUARION WATER COMPANY OF MASSACHUSETTS, INC.	AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.	AQUARION WATER CAPITAL OF MASSACHUSETTS, INC
Consolidated Schedules	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
Cost of Goods Sold	-----	-----	-----	-----	<div></div>			-----
1 Inventory - beginning								
2 Purchases								
3 Cost of Labor								
4 Addtl. 263A Costs								
5 Other Costs								
6 Total	-----	-----	-----	-----				-----
7 Inventory - Ending	-----	-----	-----	-----				-----
8 Cost of Goods Sold	=====	=====	=====	=====				=====

HOMEOWNER SAFETY
VALVE COMPANY

Consolidated Schedules

20-0170573

Cost of Goods Sold

- 1 Inventory - beginning
- 2 Purchases
- 3 Cost of Labor
- 4 Addtl. 263A Costs
- 5 Other Costs
- 6 Total
- 7 Inventory - Ending
- 8 Cost of Goods Sold



FORM 1125-A DETAIL
=====

LINE 5 - OTHER COSTS (COST OF GOODS SOLD)
=====

AQUARION WATER COMPANY OF CONNECTICUT

SUPPLY AND PUMPING
TREATMENT
TRANSMISSION AND DISTRIBUTION
SUPPLIES

SUBTOTAL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

SUPPLY AND PUMPING
TREATMENT
TRANSMISSION AND DISTRIBUTION
SUPPLIES

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

SUPPLY AND PUMPING
TREATMENT
TRANSMISSION AND DISTRIBUTION
SUPPLIES

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

TRANSMISSION AND DISTRIBUTION
CONTRACT JOBBING COSTS

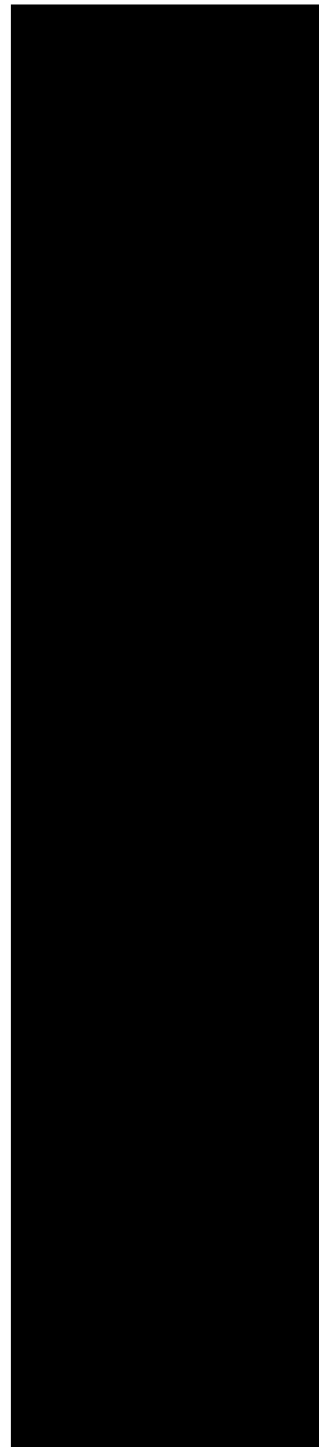
SUBTOTAL

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

TREATMENT

SUBTOTAL

TOTAL LINE 5 - OTHER COSTS (COST OF GOODS SOLD)



FORM 1125-E DETAIL
=====

NAME	SOC SEC #	% BUS	% COM	% PREF	AMOUNT
------	-----------	-------	-------	--------	--------

COMPENSATION OF OFFICERS
=====AQUARION WATER COMPANY OF CONNECTICUT

CHARLES FIRLOTTE	ON REQUEST	100.000			
HOWARD DUNN	ON REQUEST	100.000			
DONALD MORRISSEY	ON REQUEST	100.000			
BRUCE SILVERSTONE	ON REQUEST	100.000			
DOUG KNIFFIN	ON REQUEST	100.000			
LUCY TEIXEIRA	ON REQUEST	100.000			
JOHN WALSH	ON REQUEST	100.000			

TOTAL - COMPENSATION OF OFFICERS

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

JOHN WALSH	ON REQUEST	62.500			
------------	------------	--------	--	--	--

TOTAL - COMPENSATION OF OFFICERS

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

JOHN WALSH	ON REQUEST	37.500			
------------	------------	--------	--	--	--

TOTAL - COMPENSATION OF OFFICERS

COMPENSATION OF OFFICERS DEDUCTED ON TAX RETURN

MACQUARIE UTILITIES INC. & SUBS

COMBINED

MACQUARIE
 UTILITIES INC.
 & SUBS
 ELIMINATION

ADJUSTMENTS

MACQUARIE
 UTILITIES INC.
 & SUBS

Consolidated Schedules - Form 4562

Consolidated 4562 Summary

Part I - Section 179 Expense

- 2 Sec 179 property placed in
Service in current year
- 6 Nonlisted property
- 7 Listed property
- 8 Total elected cost
- 9 Tentative deduction
- 10 Carryover from 2012
- 12 Sec 179 expense deduction
- 13 Carryover to 2014

Part II - Other Depreciation

- 14 Special depreciation allowance
- 15 Property subject to 168(f)(1)
- 16 ACRS and other depreciation

Part III - MACRS

- 17 MACRS deduction - prior years
- 19 General Depreciation System
 - a. 3-year property
 - b. 5-year property
 - c. 7-year property
 - d. 10-year property
 - e. 15-year property
 - f. 20-year property
 - g. 25-year property
 - h. 27.5-year residential real
 - i. 39-year nonresidential real
- 20 Alternative Depreciation System
 - a. Class life
 - b. 12-year
 - c. 40-year

Part IV - Summary

- 21 Listed Property
- 22 Total depreciation
- 42 Amortization - current year
- 43 Amortization - prior year
- 44 Total Amortization



MACQUARIE UTILITIES INC. & SUBS

Aquarion Water Company of NH

Technical Statement of Troy Dixon

Attachment 1

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MACQUARIE
UTILITIES INC.

AQUARION
HOLDINGS LLC

AQUARION
COMPANY

AQUARION WATER
COMPANY

AQUARION WATER
COMPANY OF
CONNECTICUT

AQUARION WATER
COMPANY OF
MASSACHUSETTS,
INC.

AQUARION WATER
COMPANY OF NEW
HAMPSHIRE, INC.

AQUARION WATER
CAPITAL OF
MASSACHUSETTS,
INC

Consolidated Schedules - Form 4562

Consolidated 4562 Summary 20-4988304 75-3216999 06-0852232 80-0077570 06-0272360 04-2169260 02-0144390 22-3388372

Part I - Section 179 Expense

- 2 Sec 179 property placed in Service in current year
- 6 Nonlisted property
- 7 Listed property
- 8 Total elected cost
- 9 Tentative deduction
- 10 Carryover from 2012
- 12 Sec 179 expense deduction
- 13 Carryover to 2014

Part II - Other Depreciation

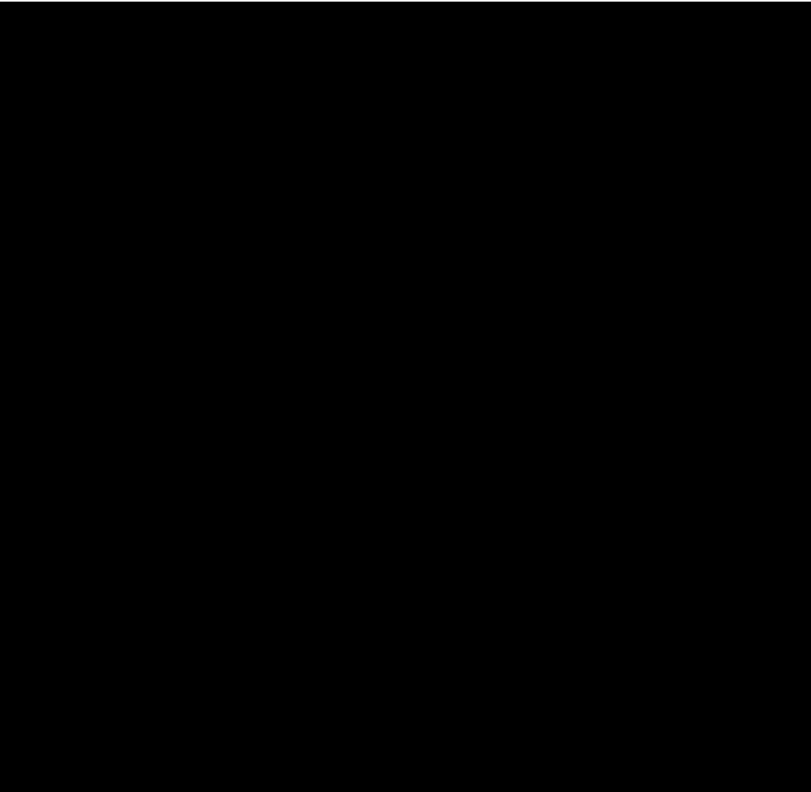
- 14 Special depreciation allowance
- 15 Property subject to 168(f)(1)
- 16 ACRS and other depreciation

Part III - MACRS

- 17 MACRS deduction - prior years
- 19 General Depreciation System
 - a. 3-year property
 - b. 5-year property
 - c. 7-year property
 - d. 10-year property
 - e. 15-year property
 - f. 20-year property
 - g. 25-year property
 - h. 27.5-year residential real
 - i. 39-year nonresidential real
- 20 Alternative Depreciation System
 - a. Class life
 - b. 12-year
 - c. 40-year

Part IV - Summary

- 21 Listed Property
- 22 Total depreciation
- 42 Amortization - current year
- 43 Amortization - prior year
- 44 Total Amortization



MACQUARIE UTILITIES INC. & SUBS
HOMEOWNER
SAFETY VALVE
COMPANY

Consolidated Schedules - Form 4562

Consolidated 4562 Summary 20-0170573

Part I - Section 179 Expense

- 2 Sec 179 property placed in
Service in current year
- 6 Nonlisted property
- 7 Listed property
- 8 Total elected cost
- 9 Tentative deduction
- 10 Carryover from 2012
- 12 Sec 179 expense deduction
- 13 Carryover to 2014

Part II - Other Depreciation

- 14 Special depreciation allowance
- 15 Property subject to 168(f)(1)
- 16 ACRS and other depreciation

Part III - MACRS

- 17 MACRS deduction - prior years
- 19 General Depreciation System
 - a. 3-year property
 - b. 5-year property
 - c. 7-year property
 - d. 10-year property
 - e. 15-year property
 - f. 20-year property
 - g. 25-year property
 - h. 27.5-year residential real
 - i. 39-year nonresidential real
- 20 Alternative Depreciation System
 - a. Class life
 - b. 12-year
 - c. 40-year

Part IV - Summary

- 21 Listed Property
- 22 Total depreciation
- 42 Amortization - current year
- 43 Amortization - prior year
- 44 Total Amortization

MACQUARIE UTILITIES INC. & SUBS
COMBINED

MACQUARIE
UTILITIES
INC. & SUBS
ELIMINATION

ADJUSTMENTS

MACQUARIE
UTILITIES
INC. & SUBS

20-4988304

Consolidated Schedules
Form 4797

Column (g) Section 1231 Gains/Losses

From Form 4797, line 2
Gain from Form 4684, line 39
Gain from Form 6252
From Form 8824
Gain from Form 4797, line 32
Total Section 1231 gain (loss)
Nonrecaptured prior year losses
Net Section 1231 gain

Ordinary Gains and Losses

From Form 4797, line 10
Section 1231 loss
Section 1231 gain
Gain from Form 4797, line 31
From Form 4684
From Form 6252
From Form 8824
Net ordinary gain or (loss)



MACQUARIE UTILITIES INC. & SUBS

20-4988304

MACQUARIE
UTILITIES
INC.

AQUARION
HOLDINGS LLC

AQUARION
COMPANY

AQUARION
WATER
COMPANY

AQUARION
WATER
COMPANY OF
CONNECTICUT

AQUARION
WATER
COMPANY OF
MASSACHUSETT

AQUARION
WATER
COMPANY OF
NEW

AQUARION
WATER
CAPITAL OF
MASSACHUSETT

Consolidated Schedules
Form 4797

20-4988304

75-3216999

06-0852232

80-0077570

06-0272360

04-2169260

02-0144390

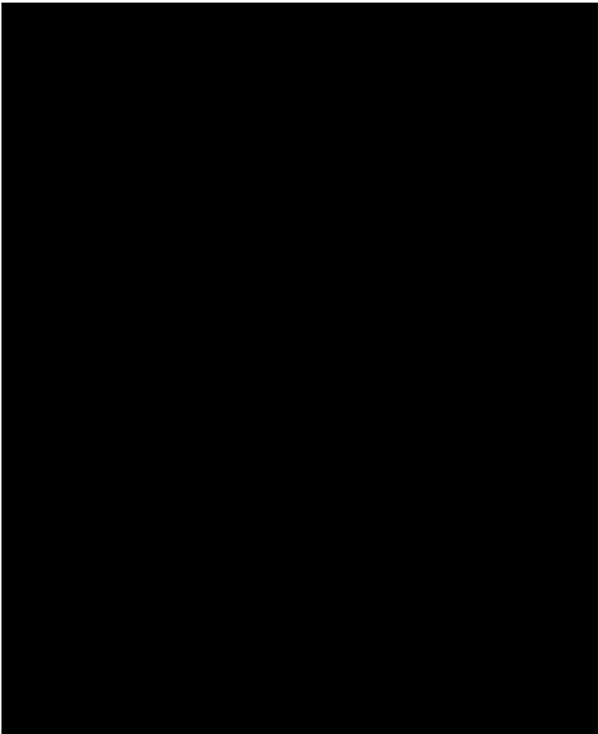
22-3388372

Column (g) Section 1231 Gains/Losses

From Form 4797, line 2
Gain from Form 4684, line 39
Gain from Form 6252
From Form 8824
Gain from Form 4797, line 32
Total Section 1231 gain (loss)
Nonrecaptured prior year losses
Net Section 1231 gain

Ordinary Gains and Losses

From Form 4797, line 10
Section 1231 loss
Section 1231 gain
Gain from Form 4797, line 31
From Form 4684
From Form 6252
From Form 8824
Net ordinary gain or (loss)



MACQUARIE UTILITIES INC. & SUBS
HOMEOWNER
SAFETY VALVE
COMPANY

20-4988304

Consolidated Schedules
Form 4797 20-0170573

Column (g) Section 1231 Gains/Losses

From Form 4797, line 2
Gain from Form 4684, line 39
Gain from Form 6252
From Form 8824
Gain from Form 4797, line 32
Total Section 1231 gain (loss)
Nonrecaptured prior year losses
Net Section 1231 gain

Ordinary Gains and Losses

From Form 4797, line 10
Section 1231 loss
Section 1231 gain
Gain from Form 4797, line 31
From Form 4684
From Form 6252
From Form 8824
Net ordinary gain or (loss)

FORM 4797, PAGE 1 DETAIL

AQUARION WATER COMPANY OF CONNECTICUT

=====

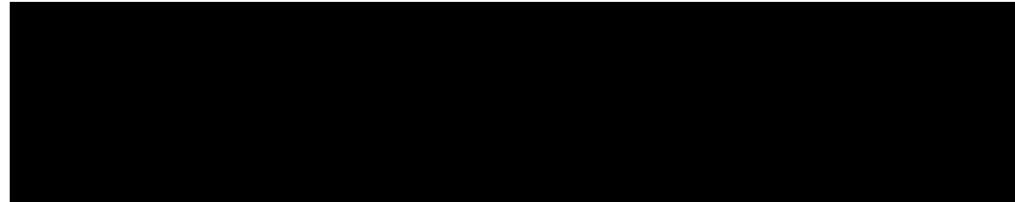
LINE 2 - MOST PROPERTY HELD MORE THAN 1 YEAR

=====

PROPERTY DESCRIPTION	DATE ACQ	DATE SOLD	SALES PRICE	DEPRECIATION	COST OR BASIS	GAIN OR LOSS
----------------------	----------	-----------	-------------	--------------	---------------	--------------

VARIOUS FIXED ASSETS	VARIOUS	VARIOUS				
----------------------	---------	---------	--	--	--	--

PART I 4797 GAINS AND LOSSES



FORM 4797, PAGE 1 DETAIL

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

=====

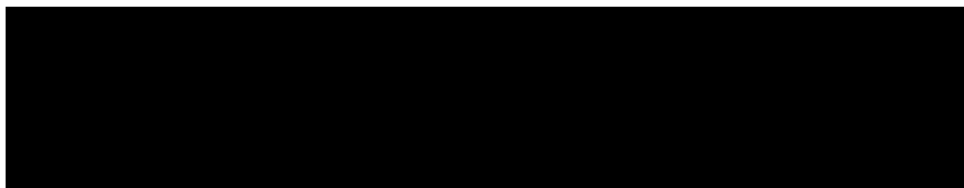
LINE 2 - MOST PROPERTY HELD MORE THAN 1 YEAR

=====

PROPERTY DESCRIPTION	DATE ACQ	DATE SOLD	SALES PRICE	DEPRECIATION	COST OR BASIS	GAIN OR LOSS
----------------------	----------	-----------	-------------	--------------	---------------	--------------

VARIOUS FIXED ASSETS	VARIOUS	VARIOUS				
----------------------	---------	---------	--	--	--	--

PART I 4797 GAINS AND LOSSES



FORM 4797, PAGE 1 DETAIL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

=====

LINE 2 - MOST PROPERTY HELD MORE THAN 1 YEAR

=====

PROPERTY DESCRIPTION	DATE ACQ	DATE SOLD	SALES PRICE	DEPRECIATION	COST OR BASIS	GAIN OR LOSS
----------------------	----------	-----------	-------------	--------------	---------------	--------------

VARIOUS FIXED ASSETS	VARIOUS	12/31/2013				
----------------------	---------	------------	--	--	--	--

PART I 4797 GAINS AND LOSSES



FORM 8916-A, PART I DETAIL

=====

LINE 6 - OTHER ITEMS WITH DIFFERENCES

DESCRIPTION	PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN

AQUARION WATER COMPANY OF CONNECTICUT

COST OF GOODS SOLD

SUBTOTAL

TOTAL



FORM 8916-A, PART I DETAIL
=====

LINE 7 - OTHER ITEMS WITH NO DIFFERENCES

AQUARION WATER COMPANY OF MASSACHUSETTS, INC.

OTHER ITEMS WITH NO DIFFERENCES

SUBTOTAL

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

OTHER ITEMS WITH NO DIFFERENCES

SUBTOTAL

HOMEOWNER SAFETY VALVE COMPANY

OTHER ITEMS WITH NO DIFFERENCES

SUBTOTAL

MACQUARIE UTILITIES INC. & SUBS ELIMINATION

OTHER ITEMS WITH NO DIFFERENCES

SUBTOTAL

TOTAL



FORM 8916-A, PART II DETAIL

LINE 5 - OTHER INTEREST INCOME

DESCRIPTION	PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN
AQUARION COMPANY				
OTHER INTEREST INCOME				
SUBTOTAL				
AQUARION WATER COMPANY OF CONNECTICUT				
OTHER INTEREST INCOME				
SUBTOTAL				
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.				
OTHER INTEREST INCOME				
SUBTOTAL				
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.				
OTHER INTEREST INCOME				
SUBTOTAL				
TOTAL				

FORM 8916-A, PART III DETAIL

LINE 4 - OTHER INTEREST EXPENSE

DESCRIPTION	PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN
MACQUARIE UTILITIES INC.				
OTHER INTEREST EXPENSE				
SUBTOTAL				
AQUARION HOLDINGS LLC				
OTHER INTEREST EXPENSE				
SUBTOTAL				
AQUARION WATER COMPANY OF CONNECTICUT				
OTHER INTEREST EXPENSE				
SUBTOTAL				
AQUARION WATER COMPANY OF MASSACHUSETTS, INC.				
OTHER INTEREST EXPENSE				
SUBTOTAL				

FORM 8916-A, PART III DETAIL

LINE 4 - OTHER INTEREST EXPENSE (CONT'D)

DESCRIPTION	PER INCOME STMT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN
AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.				
OTHER INTEREST EXPENSE				
SUBTOTAL				
AQUARION WATER CAPITAL OF MASSACHUSETTS, INC				
OTHER INTEREST EXPENSE				
SUBTOTAL				
TOTAL				

FEDERAL ELECTIONS
=====

DESCRIPTION: ELECTION, LOSS CORPORATION INFO STMT

REGULATION REFERENCE: SECTION 1.382-2T

THE ABOVE NAMED TAXPAYER IS A LOSS CORPORATION AS DEFINED IN SECTION 382(K) (1) OF THE INTERNAL REVENUE CODE. AS REQUIRED BY REGULATION SECTION 1.382-11(A), THE TAXPAYER HEREBY FILES THE FOLLOWING STATEMENT FOR THE TAXABLE YEAR ENDED DECEMBER 31, 2013.

- 1) DATE(S) OF OWNER SHIFTS, EQUITY STRUCTURE SHIFTS, OR SECTION 1.382-2T(A) (2) (I) TRANSACTIONS: NOT APPLICABLE
- 2) DATE(S) OF SECTION 382 OWNERSHIP CHANGE(S): NOT APPLICABLE
- 3) AMOUNT OF SECTION 1.382-2 ATTRIBUTES THAT CAUSED THE CORPORATION TO BE A LOSS CORPORATION: [REDACTED]
- 4) THIS STATEMENT DOES NOT INCLUDE AN ELECTION MADE UNDER SECTION 1.382-2T(H) (4) (VI) (B) TO DISREGARD THE DEEMED EXERCISE OF AN OPTION.
- 5) THIS STATEMENT DOES NOT INCLUDE AN ELECTION MADE UNDER SECTION 1.382-6(B) (2) TO CLOSE THE BOOKS OF THE LOSS CORPORATION.

AT 12/31/11, 12/31/12 AND 12/31/13, THE TAXPAYER HAD NET OPERATING LOSS CARRYFORWARDS OF [REDACTED] RESPECTIVELY, MAKING IT A LOSS CORPORATION AS DEFINED IN REG. SEC. 1.382-2 (A) (1) (I).

Form **8594**
(Rev. December 2012)
Department of the Treasury
Internal Revenue Service

**Asset Acquisition Statement
Under Section 1060**

OMB No. 1545-0021

Attachment
Sequence No. **169**

▶ Attach to your income tax return.
▶ Information about Form 8594 and its separate instructions is at www.irs.gov/form8594

Name as shown on return Aquarion Water Company of Connecticut	Identifying number as shown on return 06-0272360
---	--

Check the box that identifies you:

☒ Purchaser ☐ Seller

Part I General Information

1 Name of other party to the transaction Indian Fields Homeowner's Association	Other party's identifying number 06-1052900
---	---

Address (number, street, and room or suite no.)

79 Obtuse Road South

City or town, state, and ZIP code

Brookfield, CT 06804

2 Date of sale August 15, 2013	3 Total sales price (consideration) 38,500
---	---

Part II Original Statement of Assets Transferred

4 Assets	Aggregate fair market value (actual amount for Class I)	Allocation of sales price
Class I	\$	\$
Class II	\$	\$
Class III	\$	\$
Class IV	\$	\$
Class V	\$	\$
Class VI and VII	\$	\$
Total	\$	\$

5 Did the purchaser and seller provide for an allocation of the sales price in the sales contract or in another written document signed by both parties?

If "Yes," are the aggregate fair market values (FMV) listed for each of asset Classes I, II, III, IV, V, VI, and VII the amounts agreed upon in your sales contract or in a separate written document?

6 In the purchase of the group of assets (or stock), did the purchaser also purchase a license or a covenant not to compete, or enter into a lease agreement, employment contract, management contract, or similar arrangement with the seller (or managers, directors, owners, or employees of the seller)?

If "Yes," attach a statement that specifies (a) the type of agreement and (b) the maximum amount of consideration (not including interest) paid or to be paid under the agreement. See instructions.

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63768Z

Form **8594** (Rev. 12-2012)

PRICEWATERHOUSECOOPERS LLP
300 MADISON AVENUE
NEW YORK, NY 10017

MACQUARIE UTILITIES INC. AND SUBS
INSTRUCTIONS FOR FILING
FORM BET/NH-1120-WE
NEW HAMPSHIRE COMBINED BUSINESS ENTERPRISE/PROFITS TAX RETURN
FOR THE YEAR ENDED DECEMBER 31, 2013

THIS RETURN SHOWS AN OVERPAYMENT OF [REDACTED]. WE HAVE APPLIED IT AS FOLLOWS:

AMOUNT APPLIED TO 2014 EST.TAX
TOTAL OVERPAYMENT



THE ORIGINAL RETURN SHOULD BE FILED ON OR BEFORE OCTOBER 15, 2014 WITH THE FOLLOWING:

NH DRA
P.O. BOX 637
CONCORD, NH 03302-0637

THE BT-SUMMARY, PAGE 3, SHOULD BE SIGNED AND DATED BY AN AUTHORIZED OFFICER OF THE CORPORATION.

TO DOCUMENT THE TIMELY FILING OF YOUR TAX RETURN(S), WE SUGGEST THAT YOU OBTAIN AND RETAIN PROOF OF MAILING. PROOF OF MAILING CAN BE ACCOMPLISHED BY SENDING THE TAX RETURN(S) BY REGISTERED OR CERTIFIED MAIL (METERED BY THE U.S. POSTAL SERVICE) OR THROUGH THE USE OF AN IRS APPROVED DELIVERY METHOD PROVIDED BY AN IRS DESIGNATED PRIVATE DELIVERY SERVICE.



BUSINESS TAX RETURN SUMMARY

STEP 1 - PRINT OR TYPE

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2013** or other taxable period beginning:

and ending:

☐ Check box if there has been a name change since last filing. List former name.

Proprietorship Last Name

First Name

MI

Taxpayer Identification Number

Jointly Owned Property Last Name

First Name

MI

Taxpayer Identification Number

Corporate, Partnership, Estate, Trust, Non-Profit or LLC Name

MACQUARIE UTILITIES INC.

Taxpayer Identification Number

204988304

Principal Business Activity Code (Federal)

523900

Number & Street Address

835 MAIN STREET

Address (continued)

City / Town

BRIDGEPORT

State

CT

Zip Code + 4 (or Canadian Postal Code)

06604

STEP 2 - Return Type and Federal Information

If "yes" to the first two questions you must complete
this BT-SUMMARY or your return will be considered
incomplete and may be subject to penalties.

Are You Required To File A BET Return (Gross Business Receipts
over \$200,000, or Enterprise Value Tax Base over \$100,000)?

Are You Required To File A BPT Return (Gross Business Income Over \$50,000)?

Do you file a 990/990T?

Check here if the IRS has made any agreed or partially agreed to adjustments
☐ for any federal income tax return, which adjustment has not been previously
reported to New Hampshire.

Enter Years Covered by IRS (MMCCYYMMCCYY)

Check Appropriate Box:



**PAYMENT FORM AND APPLICATION FOR 7-MONTH
EXTENSION OF TIME TO FILE BUSINESS TAX RETURN**

TO MAKE YOUR PAYMENT ONLINE ACCESS E-FILE AT
www.nh.gov/revenue

PRINT OR TYPE

100% OF TAX PAYMENT IS DUE ON OR BEFORE THE ORIGINAL DUE DATE OF THE TAX

For the CALENDAR year **2013** or other taxable period beginning:

MMDDYYYY

MMDDYYYY

and ending

ENTITY TYPE Check one of the following

Last Name

First Name

MI

SSN

If issued a DIN, DO NOT
enter SSN or FEIN

Spouse's Last Name

Spouse's First Name

MI

Spouse's SSN

Corporate, Partnership, Estate, Trust, Non-Profit or LLC Name

MACQUARIE UTILITIES INC.

Principal Business Activity Code (Federal)

523900

Federal Employer Identification #

204988304

Department Identification #

Number & Street Address

600 LINDLEY STREET

Address (continued)

City / Town

BRIDGEPORT,

State

CT

Zip Code + 4 (or Canadian Postal Code)

06606

TAX PAYMENT SCHEDULE. DO NOT FILE THIS FORM IF LINE 5 IS ZERO

Round to the nearest dollar

1 Enter 100% of the Business Enterprise Tax determined to be due (net of credit)

1

2 Enter 100% of the Business Profits Tax determined to be due (net of credit)

2

3 Subtotal (Line 1 plus Line 2)

3

4 LESS: Credit carried over from prior year and Total Advance Payments

4

5 BALANCE DUE: (If negative or zero, do not file this application)

5

MAIL TO: NH DRA
PO BOX 1201
CONCORD NH 03302-1201

Make Check Payable to:
STATE OF NEW HAMPSHIRE
Enclose but DO NOT staple or tape your
payment to this extension



BUSINESS TAX RETURN SUMMARY - continued

STEP 3 - Complete the BET and / or BPT Return(s) and then Complete the Business Tax Summary and Attach Return(s)

STEP 4 - Calculate Your Balance Due or Overpayment

Round to the nearest dollar

1 (a) Business Enterprise Tax Net of Statutory Credits	1(a)		
(b) Business Profits Tax Net of Statutory Credits	1(b)		
(c) Subtotal of Business Tax Due (Line 1(b) plus Line 1(a))	1(c)		
2 PAYMENTS			
(a) Tax paid with application for extension	2(a)		
(b) Total of taxable period's estimated tax payments	2(b)		
(c) Credit carryover from prior tax period	2(c)		
(d) Tax paid with original return (Amended returns only)	2(d)		
(e) Total of lines 2(a) through 2(d)	2(e)		
3 TAX DUE: (Line 1(c) minus Line 2(e))	3		
4 ADDITIONS TO TAX			
(a) Interest (See instructions)	4(a)		
(b) Failure to Pay (See instructions)	4(b)		
(c) Failure to File (See instructions)	4(c)		
(d) Underpayment of Estimated Tax (See instructions)	4(d)		
(e) Total of lines 4(a) through 4(d)	4(e)		
5 (a) Subtotal of Amount Due (Line 3 plus Line 4(e))	5(a)		
(b) Return Payment Made Electronically	5(b)		
(c) BALANCE DUE: Line 5(a) minus 5(b). Make your payment on-line at www.nh.gov/revenue or make check payable to: STATE OF NEW HAMPSHIRE PAY THIS AMOUNT			
6 OVERPAYMENT: If balance due is less than zero, enter on Line 6	6		
7 Apply overpayment amount on Line 6 to:			
(a) Credit - Next Year's Tax Liability	7(a)		
(b) Refund	7(b)		DO NOT PAY

STEP 5 - THIS RETURN MUST BE ACCOMPANIED BY COMPLETE AND LEGIBLE COPIES OF THE APPROPRIATE FEDERAL FORMS AND SCHEDULES

BUSINESS TAX RETURN SUMMARY - continued

Under penalties of perjury, I declare that I have examined this BT-Summary and the attached returns, and to the best of my belief they are true, correct and complete. (If prepared by a person other than the taxpayer, this declaration is based on all information of which the preparer has knowledge.) If a combined group, I also certify that all affiliated companies are included in the appropriate group described in this return.

☐ POA: By checking this box and signing below, you authorize us to discuss this return with the preparer listed on this return.

TAXPAYER'S SIGNATURE & INFORMATION

Signature (in ink)

MMDDYYYY

Signature (in ink)

MMDDYYYY

Print Signatory Name & Title

DONALD J. MORRISSEY V.P.

Email Address

Phone Number

☐ Check this box if you are filing as a surviving spouse

PREPARER'S SIGNATURE & INFORMATION

Signature of Paid Preparer

MMDDYYYY

Printed Name of Preparer

PRICEWATERHOUSECOOPERS LLP

Email Address

Phone Number

6464714000

Preparer Identification Number

P00050000

Preparer's Address

300 MADISON AVENUE

Address (continued)

City / Town

NEW YORK

State

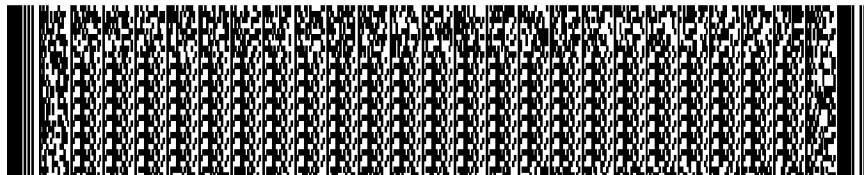
NY

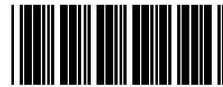
Zip Code + 4 (or Canadian Postal Code)

10017

MAIL TO: NH DRA
PO BOX 637
CONCORD NH 03302-0637

Make Check Payable to:
STATE OF NEW HAMPSHIRE





BUSINESS ENTERPRISE TAX RETURN

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

You are required to file this return if the gross receipts were greater than
\$200,000 or the enterprise value tax base is greater than **\$100,000**.

USE FORM DP-87 TO REPORT IRS ADJUSTMENTS

Round to the nearest dollar

Total Gross Business Receipts for this business organization

1. Dividends Paid

1

2. Compensation and Wages Paid or Accrued

2

3. Interest Paid or Accrued

3

4. Taxable Enterprise Value Tax Base (Sum of Lines 1, 2, and 3)

4

5. New Hampshire Business Enterprise Tax (Line 4 multiplied by .0075) before credits

5

6. Enter credits against BET. Use DP-160 to determine credit against BET

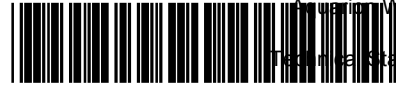
6

7. Enter Tax Due (Line 5 minus 6). If negative, enter Zero

TAX DUE 7

BET CREDIT WORKSHEET

1. Business Profits Tax from BPT Return, Line 18 NH-1120-WE, Line 10 all other forms.		1	
2. Sum the amounts from Lines 3 through 8, Column B plus other credits applied from Form DP-160 part B, not to exceed the amount on Line 1. Include the result on the BPT return, Line 19(a) NH-1120-WE, Line 11(a) all other forms			
Use carry forward amounts in the following order for this taxable period	A Apply Credits Here	B Sum of Credit to BPT	C Excess Credits
3. BET tax paid amount from Line 7 BET Return plus Line 4 of DP-160, Part A.			
4. Carry over BET from fifth prior taxable period			
5. Carry over BET from fourth prior taxable period			
6. Carry over BET from third prior taxable period			
7. Carry over BET from second prior taxable period			
8. Carry over BET from first prior taxable period			



**BUSINESS ENTERPRISE TAX APPORTIONMENT FOR
INDIVIDUAL NEXUS MEMBERS OF A COMBINED GROUP**

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

MMDDYYYY

SECTION I - APPORTIONMENT FACTORS
See General Instructions

Round to the nearest dollar		
Column A	Column B	Column C
Name	Name	Name
MACQUARIE UTIL	AQUARION HOLDI	AQUARION COMPA
FEIN	FEIN	FEIN
204988304	753216999	060852232

Compensation and Wages Factor

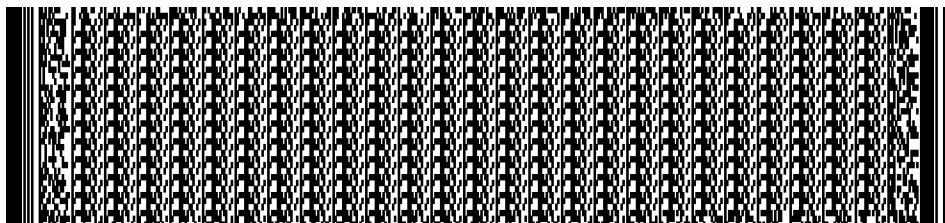
1 New Hampshire Compensation and Wages Paid or Accrued			
2 Everywhere Compensation			
3 COMPENSATION FACTOR (Line 1 divided by Line 2) Enter on Line 21			

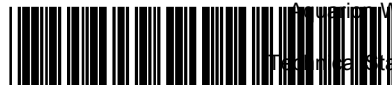
Interest Factor

4 Average of New Hampshire Property			
5 Average of Everywhere Property			
6 INTEREST FACTOR (Line 4 divided by Line 5) Enter on Line 26			

Dividend Factor

7 New Hampshire Sales			
8 Everywhere Sales			
9 Sales Factor (Line 7 divided by Line 8)			
10 Subtotal (Sum of Lines 3, 6 and 9)			
11 DIVIDEND FACTOR (Line 10 divided by number of factors in subtotal) Enter on Line 15			





**BUSINESS ENTERPRISE TAX APPORTIONMENT FOR
INDIVIDUAL NEXUS MEMBERS OF A COMBINED GROUP**

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

SECTION I - APPORTIONMENT FACTORS
See General Instructions

Round to the nearest dollar		
Column A	Column B	Column C
Name	Name	Name
AQUARION WATER	AWC OF CT	AWC OF MA
FEIN	FEIN	FEIN
800077570	060272360	042169260

Compensation and Wages Factor

1 New Hampshire Compensation and Wages Paid
or Accrued

2 Everywhere Compensation

3 COMPENSATION FACTOR (Line 1 divided by Line 2)
Enter on Line 21

Interest Factor

4 Average of New Hampshire Property

5 Average of Everywhere Property

6 INTEREST FACTOR (Line 4 divided by Line 5)
Enter on Line 26

Dividend Factor

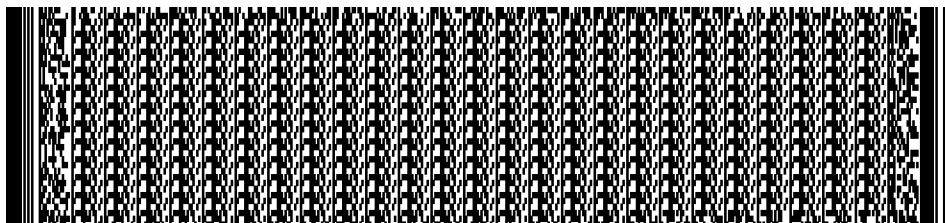
7 New Hampshire Sales

8 Everywhere Sales

9 Sales Factor (Line 7 divided by Line 8)

10 Subtotal (Sum of Lines 3, 6 and 9)

11 DIVIDEND FACTOR (Line 10 divided by number
of factors in subtotal) Enter on Line 15



**BUSINESS ENTERPRISE TAX APPORTIONMENT FOR
INDIVIDUAL NEXUS MEMBERS OF A COMBINED GROUP**

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

SECTION I - APPORTIONMENT FACTORS
See General Instructions

Round to the nearest dollar		
Column A	Column B	Column C
Name	Name	Name
AWC OF NH	AWCAP OF MA	HOMEOWNER SAFE
FEIN	FEIN	FEIN
020144390	223388372	200170573

Compensation and Wages Factor

1 New Hampshire Compensation and Wages Paid
or Accrued

2 Everywhere Compensation

3 COMPENSATION FACTOR (Line 1 divided by Line 2)
Enter on Line 21

Interest Factor

4 Average of New Hampshire Property

5 Average of Everywhere Property

6 INTEREST FACTOR (Line 4 divided by Line 5)
Enter on Line 26

Dividend Factor

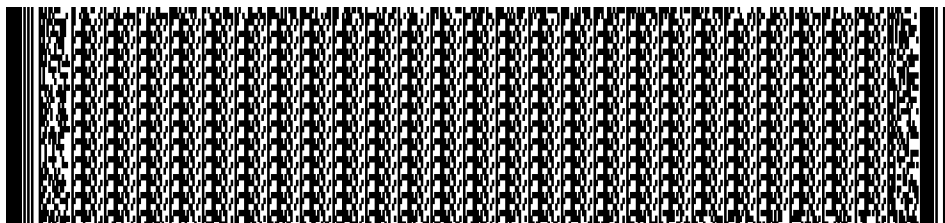
7 New Hampshire Sales

8 Everywhere Sales

9 Sales Factor (Line 7 divided by Line 8)

10 Subtotal (Sum of Lines 3, 6 and 9)

11 DIVIDEND FACTOR (Line 10 divided by number
of factors in subtotal) Enter on Line 15



BUSINESS ENTERPRISE TAX APPORTIONMENT - continued

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

and ending:

SECTION II - BUSINESS ENTERPRISE TAX BASE APPORTIONMENT
See General Instructions

		Column A	Column B	Column C
Dividend Apportionment	FEIN	204988304	753216999	060852232
12 Dividends Paid				
13 LESS: Dividend Deduction				
14 Subtotal (Line 12 minus Line 13)				
15 Dividend Apportionment Factor (From Line 11)				
16 Taxable Dividends (Line 14 multiplied by Line 15)				
17 TOTAL TAXABLE DIVIDENDS (From Line 16. If negative enter zero)				
17(a) Sum of Columns 17A, 17B, and 17C. Enter this amount on Form BET, Line 1: TOTAL 17(a)				

Compensation and Wages Apportionment

18 Everywhere Compensation and Wages Paid or Accrued			
19 LESS: Retained Compensation			
20 Subtotal (Line 18 minus Line 19)			
21 Compensation Apportionment Factor (From Line 3)			
22 Taxable Compensation (Line 20 multiplied by Line 21)			
23 LESS: Dividend Offset			
24 TOTAL TAXABLE COMPENSATION (Line 22 minus Line 23)			
24(a) Sum of Columns 24A, 24B and 24C. Enter this amount on Form BET, Line 2: TOTAL 24(a)			

Interest Apportionment

25 Interest Paid or Accrued		
26 Interest Apportionment Factor (From Line 6)		
27 Taxable Interest (Line 25 multiplied by Line 26)		
28 LESS: Dividend Offset		
29 TOTAL TAXABLE INTEREST (Line 27 minus Line 28) Enter this amount on Form BET, Line 3		
29(a) Sum of Columns 29A, 29B and 29C. Enter this amount on Form BET, Line 3: TOTAL 29(a)		

BUSINESS ENTERPRISE TAX APPORTIONMENT - continued

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

and ending:

SECTION II - BUSINESS ENTERPRISE TAX BASE APPORTIONMENT

See General Instructions

		Column A	Column B	Column C
Dividend Apportionment	FEIN	800077570	060272360	042169260
12 Dividends Paid				
13 LESS: Dividend Deduction				
14 Subtotal (Line 12 minus Line 13)				
15 Dividend Apportionment Factor (From Line 11)				
16 Taxable Dividends (Line 14 multiplied by Line 15)				
17 TOTAL TAXABLE DIVIDENDS (From Line 16. If negative enter zero)				
17(a) Sum of Columns 17A, 17B, and 17C. Enter this amount on Form BET, Line 1: TOTAL 17(a)				

Compensation and Wages Apportionment

18 Everywhere Compensation and Wages Paid or Accrued			
19 LESS: Retained Compensation			
20 Subtotal (Line 18 minus Line 19)			
21 Compensation Apportionment Factor (From Line 3)			
22 Taxable Compensation (Line 20 multiplied by Line 21)			
23 LESS: Dividend Offset			
24 TOTAL TAXABLE COMPENSATION (Line 22 minus Line 23)			
24(a) Sum of Columns 24A, 24B and 24C. Enter this amount on Form BET, Line 2: TOTAL 24(a)			

Interest Apportionment

25 Interest Paid or Accrued			
26 Interest Apportionment Factor (From Line 6)			
27 Taxable Interest (Line 25 multiplied by Line 26)			
28 LESS: Dividend Offset			
29 TOTAL TAXABLE INTEREST (Line 27 minus Line 28) Enter this amount on Form BET, Line 3			
29(a) Sum of Columns 29A, 29B and 29C. Enter this amount on Form BET, Line 3: TOTAL 29(a)			

BUSINESS ENTERPRISE TAX APPORTIONMENT - continued

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

and ending:

SECTION II - BUSINESS ENTERPRISE TAX BASE APPORTIONMENT

See General Instructions

		Column A	Column B	Column C
Dividend Apportionment	FEIN	020144390	223388372	200170573
12 Dividends Paid				
13 LESS: Dividend Deduction				
14 Subtotal (Line 12 minus Line 13)				
15 Dividend Apportionment Factor (From Line 11)				
16 Taxable Dividends (Line 14 multiplied by Line 15)				
17 TOTAL TAXABLE DIVIDENDS (From Line 16. If negative enter zero)				
17(a) Sum of Columns 17A, 17B, and 17C. Enter this amount on Form BET, Line 1: TOTAL 17(a)				

Compensation and Wages Apportionment

18 Everywhere Compensation and Wages Paid or Accrued				
19 LESS: Retained Compensation				
20 Subtotal (Line 18 minus Line 19)				
21 Compensation Apportionment Factor (From Line 3)				
22 Taxable Compensation (Line 20 multiplied by Line 21)				
23 LESS: Dividend Offset				
24 TOTAL TAXABLE COMPENSATION (Line 22 minus Line 23)				
24(a) Sum of Columns 24A, 24B and 24C. Enter this amount on Form BET, Line 2: TOTAL 24(a)				

Interest Apportionment

25 Interest Paid or Accrued				
26 Interest Apportionment Factor (From Line 6)				
27 Taxable Interest (Line 25 multiplied by Line 26)				
28 LESS: Dividend Offset				
29 TOTAL TAXABLE INTEREST (Line 27 minus Line 28) Enter this amount on Form BET, Line 3				
29(a) Sum of Columns 29A, 29B and 29C. Enter this amount on Form BET, Line 3: TOTAL 29(a)				

COMBINED BUSINESS PROFITS TAX RETURN

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending: MMDDYYYY

Check the box to indicate how the principal New Hampshire business organization files the Federal Tax Return

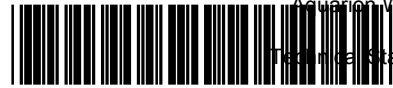
☒ **1120** ☐ **1120S** ☐ **1065** ☐ **1041** ☐ **1040**

**USE FORM DP-87 TO
REPORT IRS ADJUSTMENTS**

TAXABLE INCOME before Net Operating Loss Deduction and special deductions

Round to the nearest dollar

1 US Consolidated reported on Federal Form 1120, Line 28	1	
2 Less Overseas Business Organizations included in Line 1 above	2	
3 Less Non-Unitary Entities included in Line 1 above	3	
4 Add Consolidating Eliminations attributable to entities included in Line 2 or Line 3 above	4	
5 Add Unitary Entities non-consolidated members from Schedule I-A, Line 7	5	
6 Eliminate Inter-Company income (expense). Report income as a negative amount and expenses as a positive amount	6	
7 Subtotal (Line 1 minus Lines 2 and 3 plus Lines 4 through 6)	7	
8(a) Less Income exempt under federal constitutional law	8(a)	
8(b) Add Expenses related to constitutionally exempt income RSA 77-A:4, X	8(b)	
9 Subtotal (Line 7 adjusted by Lines 8(a) and 8(b))	9	
10 Increase or decrease to gross business profits to reconcile to IRC as of 1986 in effect on 12/31/2000. RSA 77-A:1 XX. Total adjustments must reflect all members of group. Complete a separate schedule for each entry and combine on this page.		
10(a) Add amount of IRC §179 expense taken on federal return in excess of \$25,000 for property placed into service on or after January 1, 2012, including carryover amounts, but not more than the federal taxable income for any year an IRC §179 election is made.	10(a)	
10(b) Add the amount of bonus depreciation taken on the federal return for assets placed in service this year	10(b)	
10(c) Add the amount of Domestic Production Activities deduction taken on the federal return this taxable period	10(c)	
10(d) Add any other deductions taken on the federal return that need to be eliminated or adjusted due to revisions to the IRC in effect on 12/31/2000	10(d)	
10(e) Deduct regular depreciation under IRC in effect on 12/31/2000 related to IRC §179 and bonus depreciation not allowed for this taxable period or for prior taxable periods	10(e)	
10(f) Deduct any other items included on the federal return that need to be eliminated or adjusted due to revisions to the IRC in effect on 12/31/2000	10(f)	
10(g) INCREASE or DECREASE the net gain or loss on the sale of assets used in the business which have a different State basis from the tax basis reported on the federal return	10(g)	
10(h) Net Lines 10(a) through 10(g). (If negative, use minus sign)	10(h)	



COMBINED BUSINESS PROFITS TAX RETURN

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification#

204988304

MMDDYYYY

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

and ending:

11 COMBINED NET INCOME

Round to the nearest dollar

11(a) Line 9 adjusted by Line 10(h)	11(a)	
11(b) Separate entity items of income or expense not allowed for on this form (attach schedule)	11(b)	
11(c) Subtotal (Line 11(a) adjusted by Line 11(b). If negative, use minus sign) (See instructions on Net Operating Loss)	11(c)	
11(d) Deduct Foreign Dividends (must be the same amount as Schedule II, Line 6 and the total of Column B on Schedule III)	11(d)	
11(e) New Hampshire Combined Net Income (Line 11(c) adjusted by Line 11(d). If negative, use minus sign)	11(e)	

12 ADDITIONS AND DEDUCTIONS SEE STATEMENT 4

12(a) Deduct interest and dividends subject to tax under RSA 77. (RSA 77-A:4, I)	12(a)	
12(b) Deduct interest on direct US Obligations. (RSA 77-A:4, II)	12(b)	
12(c) Deduct compensation deduction for personal services. (RSA 77-A:4, III) (Does not apply to business organization taxed federally as a corporation or trust)	12(c)	
12(d) Add income taxes or franchise taxes measured by income. (attach schedule of taxes by State) (RSA 77-A:4, VII)	12(d)	
12(e) Add federal non-recognized IRC §337 Gain. (RSA 77-A:4, VIII)	12(e)	
12(f) Deduct wage adjustment required by IRC §280C. (RSA 77-A:4, IX)	12(f)	
12(g) Deduct foreign dividend gross-up (IRC §78). (RSA 77-A:4, XI)	12(g)	
12(h) Deduct research contribution. (attach computation) (RSA 77-A:4, XII)	12(h)	
12(i) Deduct New Hampshire Net Operating Loss Deduction (NOLD). (attach Form DP-132) (RSA 77-A:4, XIII)		
NOLD available	12(i) - A	
Less NOLD used this tax period	12(i)	
NOLD to be carried forward	12(i) - B	
12(j) Add the amount of the increase on the basis of assets which was due to the sale or exchange of interest in the business organization. (RSA 77-A:4, XIV)	12(j)	
12(k) Add Qualified Investment Company (QIC) holders' proportional share of QIC profits. (RSA 77-A:4, XV)	12(k)	
12(l) Deduct assistance payments under 12 USC, §1823. (RSA 77-A:4, XVI)	12(l)	
12(m) Net Lines 12(a) through 12(l)	12(m)	

COMBINED BUSINESS PROFITS TAX RETURN

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

and ending: MMDDYYYY

NH-1120-WE continued

Round to the nearest dollar

13 Adjusted Gross Business Profits (Line 11(e) adjusted by Line 12(m))

13

14 New Hampshire Apportionment (Form DP-80, Line 5. Express as a decimal to 6 places)

14

15 New Hampshire Water's Edge Taxable Business Profits (Line 13 multiplied by Line 14)

15

16 New Hampshire Foreign Dividends Taxable Business Profits (from Schedule II, Line 7)

16

17 New Hampshire Taxable Business Profits (Line 15 plus Line 16. If negative, enter zero)

17

18 New Hampshire Business Profits Tax (Line 17 multiplied by 8.5%)

18

19 (a) BET Credit only - see Form BET Credit Worksheet on BET Return

19(a)

-OR-

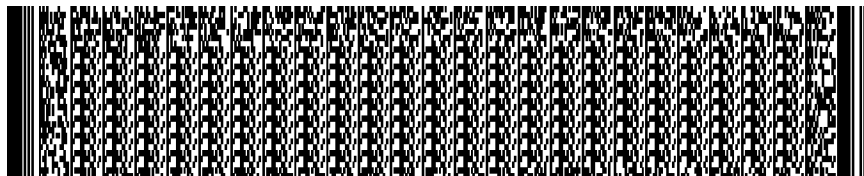
(b) Other credit including BET (attach Form DP-160)

19(b)

20 New Hampshire Business Profits Tax Net of Statutory Credits (Line 18 minus Line 19(a) or 19(b), as applicable, cannot be less than zero). Report on BT-Summary, Line 1(b)

20

This return must be accompanied by complete and legible copies of the appropriate federal forms and schedules





This form should be completed if filing a NH-1120-WE or if New Hampshire apportionment is less than 100%

BUSINESS PROFITS TAX RETURN ADDITIONAL INFORMATION

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

YOU ARE REQUIRED TO FILE A BUSINESS PROFITS TAX RETURN IF GROSS BUSINESS INCOME IS GREATER THAN \$50,000. DO NOT USE THIS FORM TO REPORT IRS ADJUSTMENTS. USE FORM DP-87.

If the business organization is a corporation the due date of the return is the FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING THE END OF THE TAXABLE PERIOD. If the business organization is not a corporation the due date of the return is the FIFTEENTH DAY OF THE FOURTH MONTH FOLLOWING THE END OF THE TAXABLE PERIOD.

Principal Business Activity in New Hampshire

HOLDING COMPANY

Business locations in New Hampshire - location of factories, sales offices, warehouses, etc

☐ Check box and attach a list if more space is required

HAMPTON, NH

NORTH HAMPTON, NH

2007

Year first NH return filed

DE

State of Incorporation

City, State and Country where records are located

City / Town

BRIDGEPORT

State

CT

Country

Business locations outside of New Hampshire

☐ Check box and attach a list if more space is required

Answer Yes or No

City / Town

BRIDGEPORT

State

CT

Registered to do
business in state
where located?

Files returns
in state
where located?

Apportion sales, payroll
and/or property in state
where located?

Type of Business

OFFICE

City / Town

HINGHAM

State

MA

Type of Business

OFFICE

City / Town

State

Type of Business



BUSINESS PROFITS TAX RETURN ADDITIONAL INFORMATION - continued

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification#

204988304

MMDDYYYY

For the CALENDAR year **2013**
or other taxable period beginning:

MMDDYYYY

and ending:

Is the business organization filing its tax return
on an IRS approved 52/53 week tax year?

☐ Yes

☒ No

If yes, provide the date
the period begins

MMDDYYYY

and
ends

MMDDYYYY

Is this business organization affiliated with any other business organization that files business tax returns with this Department?

Identify by Name and FEIN

FEIN

Does the business organization file as part of a unitary group in any other jurisdiction?

Is the business organization
registered with the NH Secretary of State?

If YES, provide
Business ID

408242

If YES, provide YEAR
registered

1889

In which state is the business organization domiciled?:

State

NH

Did the business organization have a change in income due to a final adjustment determined by a court, the Internal Revenue Service, or another state's taxing authority since its most recent filing of a NH BPT return (prior to this return)?

If yes, provide full details. Use additional sheet(s) if necessary.

BUSINESS PROFITS TAX AFFILIATION SCHEDULE

This page must be completed in its entirety as part of the NH-1120-WE. This page identifies the principal New Hampshire business organization, as defined in NH Code of Admin. Rules, Rev 301.24, other members of the Water's Edge Combined Group, as defined in RSA 77-A:1, XV and those affiliates excluded from the group as non-unitary or qualified Overseas Business Organizations, as defined by RSA 77-A:1, XIX.

A Principal New Hampshire Business Organization

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

For the CALENDAR year 2013
or other taxable period beginning:

MMDDYYYY

MMDDYYYY

and ending:

Number & Street Address

835 MAIN STREET

Address (continued)

City / Town

BRIDGEPORT

State

CT

Zip Code + 4 (or Canadian Postal Code)

06604

B New Hampshire
Business Activity

HOLDING COMPANY

C Other members included in the Water's Edge Combined Group. Indicate with an X those members who have nexus with New Hampshire.
Attach additional sheets for the following, if necessary

Name of Business Organization	Tax Period Ending	FEIN	X
AQUARION HOLDINGS LLC		753216999	<input type="checkbox"/>
AQUARION COMPANY		060852232	<input type="checkbox"/>
AQUARION WATER COMPANY		800077570	<input type="checkbox"/>
AWC OF CT		060272360	<input type="checkbox"/>
AWC OF MA		042169260	<input type="checkbox"/>
AWC OF NH		020144390	<input checked="" type="checkbox"/>
AWCAP OF MA		223388372	<input type="checkbox"/>
HOMEOWNER SAFETY VALVE COMPANY		200170573	<input checked="" type="checkbox"/>

D

Parent Company of this Combined Group

MACQUARIE UTILITIES INC.

FEIN

204988304

X

BUSINESS PROFITS TAX AFFILIATION SCHEDULE - continued

E Name and Federal Employer Identification Numbers of the domestic affiliated business organizations who are excluded from the New Hampshire Water's Edge Combined Group as non-unitary members. Indicate with an **X** those members who have nexus in New Hampshire.

Name of Business Organization	FEIN	X
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

F Name, location, and Federal Employer Identification Number, if applicable, of the affiliates excluded from the group as qualified Overseas Business Organizations, as defined by RSA 77-A:1, XIX. Indicate with an **X** those members who have nexus in New Hampshire.

Name & Location of Business Organization	FEIN	X
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

G

Taxpayer Contact

Taxpayer Title

Phone Number

BUSINESS PROFITS TAX RETURN - Business Profits Tax Apportionment

Business Organization Name

MACQUARIE UTILITIES INC.

Taxpayer Identification #

204988304

MMDDYYYY

For the CALENDAR year 2013
or other taxable period beginning:

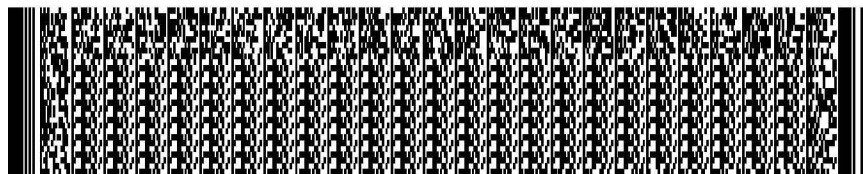
MMDDYYYY

and ending:

SEE STATEMENT 8	1(a) Everywhere (Denominator)	1(b) New Hampshire (Numerator)	1(c) Sales/Receipts Factor
1 SALES/RECEIPTS FACTOR			
1(c) Divide 1(b) by 1(a) and multiply by 2 (Express as a decimal to 6 places)			
	2(a) Everywhere (Denominator)	2(b) New Hampshire (Numerator)	2(c) Payroll Factor
2 PAYROLL FACTOR			
2(c) Divide 2(b) by 2(a) (Express as a decimal to 6 places)			

3 PROPERTY FACTOR	3(a) Everywhere (Denominator)			3(b) New Hampshire (Numerator)	
	Beginning of Period	End of Period		Beginning of Period	End of Period
Inventory			Inventory		
Buildings			Buildings		
Furniture & Fixtures			Furniture & Fixtures		
Leasehold Improvements			Leasehold Improvements		
Land			Land		
Other Tangible Assets			Other Tangible Assets		
Subtotal			Subtotal		
Average of Subtotals			Average of Subtotals		
Rented Property (annual rate x 8)			Rented Property (annual rate x 8)		
Total EVERYWHERE Property			Total NEW HAMPSHIRE Property		
3(c) Divide 3(b) total by 3(a) total (Express as a decimal to 6 places)					

4 TOTAL OF LINES 1(c), 2(c) and 3(c)	4
5 NEW HAMPSHIRE APPORTIONMENT: Line 4 divided by 4 and expressed as a decimal to 6 places. If there are only one or two factors with an "Everywhere" denominator, see instructions. SEE STATEMENT 7	5



	COMBINED	MACQUARIE UTILITIES INC. & SUBS	ADJUSTMENTS	MACQUARIE UTILITIES INC. AND SUBS 20-4988304
1	US CONSOLIDATED (LINE 28 AS FILED WITH IRS)	<div></div>		
2	LESS OVERSEAS BUSINESS ORGANIZATIONS			
3	LESS NON-UNITARY ENTITIES			
4	ADD CONSOLIDATING ELIMINATIONS			
5	ADD UNITARY ENTITIES, NON-CONSOLIDATING ...			
6	ELIMINATE INTER-COMPANY INCOME (EXPENSE) ..			
7	SUBTOTAL (SUM OF LINES 1 THROUGH 6)			
8A	LESS INCOME EXEMPT UNDER FEDERAL LAW			
8B	ADD RELATED EXPENSES			
9	COMBINED NET INCOME			

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AWC OF CT	AWC OF MA	AWC OF NH	AWCAP OF MA
	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
1	US CONSOLIDATED (LINE 28 AS FILED WITH IRS)							
2	LESS OVERSEAS BUSINESS ORGANIZATIONS							
3	LESS NON-UNITARY ENTITIES							
4	ADD CONSOLIDATING ELIMINATIONS							
5	ADD UNITARY ENTITIES, NON-CONSOLIDATING ...							
6	ELIMINATE INTER-COMPANY INCOME (EXPENSE) ..							
7	SUBTOTAL (SUM OF LINES 1 THROUGH 6)							
8A	LESS INCOME EXEMPT UNDER FEDERAL LAW							
8B	ADD RELATED EXPENSES							
9	COMBINED NET INCOME							

	HOMEOWNER
	SAFETY VALVE
	COMPANY
	20-0170573

1	US CONSOLIDATED (LINE 28 AS FILED WITH IRS)
2	LESS OVERSEAS BUSINESS ORGANIZATIONS
3	LESS NON-UNITARY ENTITIES
4	ADD CONSOLIDATING ELIMINATIONS
5	ADD UNITARY ENTITIES, NON-CONSOLIDATING ...
6	ELIMINATE INTER-COMPANY INCOME (EXPENSE) ..
7	SUBTOTAL (SUM OF LINES 1 THROUGH 6)
8A	LESS INCOME EXEMPT UNDER FEDERAL LAW
8B	ADD RELATED EXPENSES

9	COMBINED NET INCOME
	=====

	COMBINED	MACQUARIE UTILITIES INC. & SUBS	ADJUSTMENTS	MACQUARIE UTILITIES INC. AND SUBS 20-4988304
12 ADDITIONS AND DEDUCTIONS				
A DEDUCT INTEREST AND DIVIDENDS (RSA 77)				
B DEDUCT INTEREST ON DIRECT U.S. OBLIGATIONS				
C COMPENSATION DEDUCTION FOR PERSONAL SERVICES				
D ADD BACK INCOME/FRANCHISE TAXES				
E ADD FEDERAL NON-RECOGNIZED IRS SEC 337 GAIN				
F DEDUCT WAGE ADJUSTMENT (SEC. 280C)				
G DEDUCT FOREIGN DIVIDEND GROSS UP				
H DEDUCT RESEARCH CONTRIBUTION				
I DEDUCT NH NET OPERATING LOSS DEDUCTION				
J ADD INCREASE ON BASIS OF ASSETS				
K ADD QIC HOLDERS' SHARE OF PROFITS				
L DEDUCT ASSISTANCE PAYMENTS (12 USC SEC 1823)				
M NET LINES 12 (A) THROUGH 12 (L)				

MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AWC OF CT	AWC OF MA	AWC OF NH	AWCAP OF MA
20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372

12 ADDITIONS AND DEDUCTIONS

A DEDUCT INTEREST AND DIVIDENDS (RSA 77)

B DEDUCT INTEREST ON DIRECT U.S. OBLIGATIONS

C COMPENSATION DEDUCTION FOR PERSONAL SERVICES

D ADD BACK INCOME/FRANCHISE TAXES

E ADD FEDERAL NON-RECOGNIZED IRS SEC 337 GAIN

F DEDUCT WAGE ADJUSTMENT (SEC. 280C)

G DEDUCT FOREIGN DIVIDEND GROSS UP

H DEDUCT RESEARCH CONTRIBUTION

I DEDUCT NH NET OPERATING LOSS DEDUCTION

J ADD INCREASE ON BASIS OF ASSETS

K ADD QIC HOLDERS' SHARE OF PROFITS

L DEDUCT ASSISTANCE PAYMENTS (12 USC SEC 1823)

M NET LINES 12 (A) THROUGH 12 (L)

=====

HOMEOWNER
SAFETY VALVE
COMPANY
20-0170573

12 ADDITIONS AND DEDUCTIONS

A DEDUCT INTEREST AND DIVIDENDS (RSA 77)

B DEDUCT INTEREST ON DIRECT U.S. OBLIGATIONS

C COMPENSATION DEDUCTION FOR PERSONAL SERVICES

D ADD BACK INCOME/FRANCHISE TAXES [REDACTED]

E ADD FEDERAL NON-RECOGNIZED IRS SEC 337 GAIN

F DEDUCT WAGE ADJUSTMENT (SEC. 280C)

G DEDUCT FOREIGN DIVIDEND GROSS UP

H DEDUCT RESEARCH CONTRIBUTION

I DEDUCT NH NET OPERATING LOSS DEDUCTION

J ADD INCREASE ON BASIS OF ASSETS

K ADD QIC HOLDERS' SHARE OF PROFITS

L DEDUCT ASSISTANCE PAYMENTS (12 USC SEC 1823)

M NET LINES 12 (A) THROUGH 12 (L) [REDACTED]

=====

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL SUMMARY

	COMBINED	MACQUARIE	ADJUSTMENTS	MACQUARIE
		UTILITIES INC.		UTILITIES INC.
		& SUBS		AND SUBS
PROPERTY				20-4988304

TOTAL EVERYWHERE				
TOTAL NEW HAMPSHIRE				
PROPERTY FACTOR				
PAYROLL				

TOTAL EVERYWHERE				
TOTAL NEW HAMPSHIRE				
PAYROLL FACTOR				
SALES/RECEIPTS				

TOTAL EVERYWHERE				
TOTAL NEW HAMPSHIRE				
SALES/RECEIPTS FACTOR				
SALES/RECEIPTS FACTOR X 2				
TOTAL FACTORS				
APPORTIONMENT FACTOR				

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL SUMMARY

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AWC OF CT	AWC OF MA	AWC OF NH	AWCAP OF MA
PROPERTY	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL EVERYWHERE								
TOTAL NEW HAMPSHIRE								
-----	-----	-----	-----	-----	-----	-----	-----	-----
PROPERTY FACTOR								
-----	-----	-----	-----	-----	-----	-----	-----	-----
PAYROLL								
-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL EVERYWHERE								
TOTAL NEW HAMPSHIRE								
-----	-----	-----	-----	-----	-----	-----	-----	-----
PAYROLL FACTOR								
-----	-----	-----	-----	-----	-----	-----	-----	-----
SALES/RECEIPTS								
-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL EVERYWHERE								
TOTAL NEW HAMPSHIRE								
-----	-----	-----	-----	-----	-----	-----	-----	-----
SALES/RECEIPTS FACTOR								
-----	-----	-----	-----	-----	-----	-----	-----	-----
SALES/RECEIPTS FACTOR X 2								
-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL FACTORS								
-----	-----	-----	-----	-----	-----	-----	-----	-----
APPORTIONMENT FACTOR								
=====	=====	=====	=====	=====	=====	=====	=====	=====

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL SUMMARY

	HOMEOWNER
	SAFETY VALVE
	COMPANY
PROPERTY	20-0170573
-----	-----
TOTAL EVERYWHERE	
TOTAL NEW HAMPSHIRE	

PROPERTY FACTOR	

PAYROLL	

TOTAL EVERYWHERE	
TOTAL NEW HAMPSHIRE	

PAYROLL FACTOR	

SALES/RECEIPTS	

TOTAL EVERYWHERE	
TOTAL NEW HAMPSHIRE	

SALES/RECEIPTS FACTOR	

SALES/RECEIPTS FACTOR X 2	

TOTAL FACTORS	

APPORTIONMENT FACTOR	
	=====

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - EVERYWHERE

PROPERTY FACTOR	COMBINED	MACQUARIE	ADJUSTMENTS	MACQUARIE
-----		UTILITIES INC.		UTILITIES INC.
		& SUBS		AND SUBS
				20-4988304
BEGINNING OF YEAR:				
INVENTORY				
BUILDINGS				
FURNITURE & FIXTURES				
LEASEHOLD IMPROVEMENTS				
LAND				
OTHER TANGIBLE ASSETS				
SUBTOTAL				
END OF YEAR:				
INVENTORY				
BUILDINGS				
FURNITURE & FIXTURES				
LEASEHOLD IMPROVEMENTS				
LAND				
OTHER TANGIBLE ASSETS				
SUBTOTAL				
AVERAGE OF SUBTOTALS				
RENTED PROPERTY (x8)				
TOTAL PROPERTY				
PAYROLL FACTOR				

TOTAL PAYROLL				
SALES FACTOR				

TOTAL SALES				

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - EVERYWHERE

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AWC OF CT	AWC OF MA	AWC OF NH	AWCAP OF MA
PROPERTY FACTOR								
-----	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
BEGINNING OF YEAR:	-----	-----	-----	-----	-----	-----	-----	-----
INVENTORY								
BUILDINGS								
FURNITURE & FIXTURES								
LEASEHOLD IMPROVEMENTS								
LAND								
OTHER TANGIBLE ASSETS								
	-----	-----	-----					
SUBTOTAL								
	-----	-----	-----					
END OF YEAR:								
INVENTORY								
BUILDINGS								
FURNITURE & FIXTURES								
LEASEHOLD IMPROVEMENTS								
LAND								
OTHER TANGIBLE ASSETS								
	-----	-----	-----					
SUBTOTAL								
	-----	-----	-----					
AVERAGE OF SUBTOTALS								
RENTED PROPERTY (x8)								
	-----	-----	-----					
TOTAL PROPERTY								
	=====	=====	=====					
PAYROLL FACTOR								

TOTAL PAYROLL								
	=====	=====	=====					
SALES FACTOR								

TOTAL SALES								
	=====	=====	=====					

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - EVERYWHERE

	HOMEOWNER
	SAFETY VALVE
PROPERTY FACTOR	COMPANY
-----	20-0170573
BEGINNING OF YEAR:	-----
INVENTORY	
BUILDINGS	
FURNITURE & FIXTURES	
LEASEHOLD IMPROVEMENTS	
LAND	
OTHER TANGIBLE ASSETS	

SUBTOTAL	-----

END OF YEAR:	
INVENTORY	
BUILDINGS	
FURNITURE & FIXTURES	
LEASEHOLD IMPROVEMENTS	
LAND	
OTHER TANGIBLE ASSETS	

SUBTOTAL	-----

AVERAGE OF SUBTOTALS	
RENTED PROPERTY (x8)	

TOTAL PROPERTY	=====
	=====
PAYROLL FACTOR	

TOTAL PAYROLL	=====
	=====
SALES FACTOR	

TOTAL SALES	=====

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - WITHIN NEW HAMPSHIRE

	COMBINED	MACQUARIE	ADJUSTMENTS	MACQUARIE
		UTILITIES INC.		UTILITIES INC.
		& SUBS		AND SUBS
PROPERTY FACTOR				20-4988304
BEGINNING OF YEAR:				
INVENTORY				
BUILDINGS				
FURNITURE & FIXTURES				
LEASEHOLD IMPROVEMENTS				
LAND				
OTHER TANGIBLE ASSETS				
SUBTOTAL				
END OF YEAR:				
INVENTORY				
BUILDINGS				
FURNITURE & FIXTURES				
LEASEHOLD IMPROVEMENTS				
LAND				
OTHER TANGIBLE ASSETS				
SUBTOTAL				
AVERAGE OF SUBTOTALS				
RENTED PROPERTY (x8)				
TOTAL PROPERTY				
PAYROLL FACTOR				
TOTAL PAYROLL				
SALES FACTOR				
TOTAL SALES				

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - WITHIN NEW HAMPSHIRE

	MACQUARIE UTILITIES INC.	AQUARION HOLDINGS LLC	AQUARION COMPANY	AQUARION WATER COMPANY	AWC OF CT	AWC OF MA	AWC OF NH	AWCAP OF MA
PROPERTY FACTOR								
-----	20-4988304	75-3216999	06-0852232	80-0077570	06-0272360	04-2169260	02-0144390	22-3388372
BEGINNING OF YEAR:	-----	-----	-----	-----	-----	-----	-----	-----
INVENTORY								
BUILDINGS								
FURNITURE & FIXTURES								
LEASEHOLD IMPROVEMENTS								
LAND								
OTHER TANGIBLE ASSETS								
	-----	-----	-----	-----	-----	-----	-----	-----
SUBTOTAL								
	-----	-----	-----	-----	-----	-----	-----	-----
END OF YEAR:								
INVENTORY								
BUILDINGS								
FURNITURE & FIXTURES								
LEASEHOLD IMPROVEMENTS								
LAND								
OTHER TANGIBLE ASSETS								
	-----	-----	-----	-----	-----	-----	-----	-----
SUBTOTAL								
	-----	-----	-----	-----	-----	-----	-----	-----
AVERAGE OF SUBTOTALS								
RENTED PROPERTY (x8)								
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL PROPERTY								
	=====	=====	=====	=====	=====	=====	=====	=====
PAYROLL FACTOR								

TOTAL PAYROLL								
	=====	=====	=====	=====	=====	=====	=====	=====
SALES FACTOR								

TOTAL SALES								
	=====	=====	=====	=====	=====	=====	=====	=====

NEW HAMPSHIRE COMBINED APPORTIONMENT DETAIL - WITHIN NEW HAMPSHIRE

	HOMEOWNER
	SAFETY VALVE
PROPERTY FACTOR	COMPANY
-----	20-0170573
BEGINNING OF YEAR:	-----
INVENTORY	
BUILDINGS	
FURNITURE & FIXTURES	
LEASEHOLD IMPROVEMENTS	
LAND	
OTHER TANGIBLE ASSETS	

SUBTOTAL	

END OF YEAR:	
INVENTORY	
BUILDINGS	
FURNITURE & FIXTURES	
LEASEHOLD IMPROVEMENTS	
LAND	
OTHER TANGIBLE ASSETS	

SUBTOTAL	

AVERAGE OF SUBTOTALS	
RENTED PROPERTY (x8)	

TOTAL PROPERTY	
	=====
PAYROLL FACTOR	

TOTAL PAYROLL	
	=====
SALES FACTOR	

TOTAL SALES	
	=====

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REDACTED
Aquarion Water Company of NH
DW 14-075
Technical Statement of Troy Dixon
Attachment 2
Page 35 of 35

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.
DW 14-075

Aquarion Water Company's Responses to
Staff's Data Requests – Set #1

Date Request Received: April 9, 2014
Request No.: Staff 1-4

Date of Response: April 18, 2014
Witness: Troy Dixon

REQUEST: Please explain how the \$905,000 indicated in paragraph 3 is calculated.

RESPONSE: The \$905,000 consists of AWC-NH's Federal and State tax liabilities for the years 2011, 2012, and 2013. The Federal amounts for this period are \$223,000, \$99,000 and \$393,000 for 2011, 2012, and 2013, respectively. The New Hampshire amounts are \$59,000, \$26,000, and \$105,000 for 2011, 2012, and 2013, respectively.